SOVEREIGNTY AND DOMINION

Volume 1

SOVEREIGNTY AND DOMINION

AN ECONOMIC COMMENTARY ON GENESIS

Volume 1

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POINT FIVE PRESS
Dallas, Georgia

Sovereignty and Dominion: An Economic Commentary on Genesis
Volume 1
Previously title: *The Dominion Covenant: Genesis*

Published by
Point Five Press
P.O. Box 2778
Dallas, Georgia 30132

Typesetting by Kyle Shepherd

This book is dedicated to

Ken Ham

who is extending the work of
Henry Morris and John Whitcomb.

TABLE OF CONTENTS

Volume 1

Volume 2

PREFACE

You hold in your hand, or see on your screen, the first volume of a 31 volume set. This set, *An Economic Commentary on the Bible*, is one long book. I would call it a fat book. Add another four volumes of appendixes. It took me 39 years to write it.

A. Fat Books and Social Change

I hold to what I call the fat book theory of social transformation. Most of the major turning points in Western history have had fat books at their center. The Bible is certainly a fat book. Augustine's *City of God* is a fat book, and by adhering to the biblical worldview, it restructured Western civilization's concept of history.[1] Thomas Aquinas' *Summa Theologica* is a fat book, and it gave the medieval West the crucial synthesis of scholastic philosophy, an intellectual tradition still defended by a handful of Roman Catholic conservatives and (implicitly, at least) by most contemporary Protestant fundamentalist philosophers. John Calvin's *Institutes of the Christian Religion* is a fat book, and it structured a large segment of Reformation theology.

Christians have not been the only social transformationists who have written fat books that have changed Western civilization. Immanuel Kant's *Critique of Pure Reason* is a fat book, and you just about have to take his *Critique of Practical Reason* as its companion volume. This set restructured modern philosophy, and in the twentieth century, theology (by way of Karl Barth and Emil Brunner).[2] William Blackstone's *Commentaries on the Laws of England* is a four-volume fat book, yet it was read by just about every lawyer in the British colonies after 1765. *The Federalist* is fat. (Of course, it had its greatest

1. Karl Löwith, *Meaning in History* (Chicago: University of Chicago Press, 1949), ch. 9.
2. Cornelius Van Til, *The New Modernism* (Philadelphia: Presbyterian & Reformed, 1947).

initial effect as a series of newspaper articles, 1787–88, during the debate over the ratification of the U.S. Constitution, which gives us some comparative indication of the recent effects of humanist public school programs to achieve universal literacy in the United States. Try to get the average American newspaper reader to read, digest, and comment on *The Federalist*.)

A decade after Blackstone's *Commentaries* came Adam Smith's *Wealth of Nations*, a fat book. Karl Marx's *Das Kapital* is a fat book; if you include the two posthumous volumes, it is a very fat book. If you include his posthumous multi-volume *Theories of Surplus Value*, it is positively obese.

All these fat books have sat on library shelves and have intimidated people, generation after generation. A handful of influential people actually went to the effort to read them, subsequently believed them, and then wrote more books in terms of them.

B. Exceptions to the Rule

There are exceptions to my fat book theory. Machiavelli's *The Prince* is a thin book. So is his *Discourses*. John Locke's *Second Treatise of Government* is a thin book. Jean Jacques Rousseau's *Social Contract* is thin. So is Edmund Burke's *Reflections on the Revolution in France*. Marx and Engels' *Communist Manifesto* is a short book. So is F. A. Hayek's *Road to Serfdom*.

Then there are medium-sized books. Thomas Hobbes' *Leviathan* is a medium-size book, and it launched the long tradition of social contract political theory. The first edition of Charles Darwin's *Origin of Species* was a medium-sized book. John Maynard Keynes' *General Theory of Employment, Interest, and Money* is a medium-sized book.

Thin and medium-sized books have their rightful place in initiating social transformations. But to maintain such a transformation, there had better be some fat back-up books on the shelf. "What should we do now?" the initially victorious revolutionaries inescapably ask. Fat books provide answers. More than this: *if fat books with believable answers are not already on the shelf, there will not be a successful social transformation.* Men will not draw others into their revolutionary cause unless the potential recruits become persuaded that the promoters have answers to specific real-world problems—problems that contemporary society is not dealing with successfully.

Producing a true revolution requires the support of many kinds of printed materials, from pamphlets to thick, technical volumes. These

days, it also requires online videos. Those activists who are in the midst of a revolution seldom have time to think through every aspect of the changes which their slogans and actions are producing, but the revolution's leaders need to know that the basic theoretical work has been done, that workable, principled, and consistent answers to specific historical problems are in reserve, and that after the dust settles, the heirs of the revolution will be able steadily to restructure society in ways that are consistent with the ideals of the revolution. This faith has been misplaced on many past occasions, the obvious example being Communists' faith in Marx's *Das Kapital*. Its economic theory was wrong. It could not be applied successfully in any Communist nation without destroying the productivity of that economy. But it was necessary that at least the first volume of *Das Kapital* was on the shelves of the revolutionaries (the three subsequent volumes were not published in the lifetime of either Marx or Engels). Its very presence gave confidence to those who were launching the Communist revolution. The book was fat and unreadable, but that was an advantage: men's faith in Marx's solutions was not shattered by ever having read it.

The wise social strategist writes fat books and thin books and books in between, not knowing which will work. Augustine and Aquinas wrote all sorts of books. So did Kant, whose brief *Universal Natural History and Theory of the Heavens* first proposed the idea of galactic evolution. Darwin kept fattening up *Origin*, and then added *The Descent of Man*. Marx co-authored the *Communist Manifesto*, plus endless journalism pieces, some of which constituted books. He also was in partnership with Frederick Engels, who was smart enough to extract and separately publish *Socialism: Utopian and Scientific* from the stillborn *Herr Eugen Dühring's Revolution in Science*. Lenin wrote materials of all sizes, decade after decade. I, too, have written my share of thin and medium-sized books. (Well, mostly the latter.)

C. Why So Fat?

This series is fat, but not unreadable. The volumes may reside in many hard disk drives for many years, but those who use them will be able to find specific answers to real-world economic problems—answers that are self-consciously structured in terms of the revealed word of God. If my answers were not detailed, if my logic were not spelled out, and if my sources were not cited in full, then this book could no more serve as a reliable guide to economic reconstruction than some fat polemical

tract published by the Maryknoll Order or written by a sociology professor at Wheaton College.

This is a reference work, not a catechism. It tries to accomplish a great deal: exegete verses, describe how they applied in the Old Testament era, explain why some should be applied today, and offer examples of how they might be applied in practice. It is large because I want it to serve for many years (preferably centuries) as one of the key reference works on specific applications of biblical law in economics and jurisprudence.

In some ways, I wish I could imitate Moses Maimonides, the late-twelfth-century Jewish scholar. In defending the style of the enormous output of his life's literary work (he was also a full-time physician to the Sultan in Cairo), including his monumental 14-volume *Code* (the *Mishneh Torah*), he wrote: "All our works are concise and to the point. We have no intention of writing bulky books nor of spending time on that which is useless. Hence when we explain anything, we explain only what is necessary and only in the measure required to understand it, and whatever we write is in summary form. . . . Were I able to condense the entire Talmud into a single chapter, I would not do so in two."[3] The problem with his concise style is this: when we go to his *Code* (which is not a detailed commentary, despite its huge length), time and again we cannot follow his reasoning. It is not simply because we are gentiles living many centuries later; learned contemporary rabbinical correspondents expressed this same dissatisfaction to him.[4] It takes considerable explanation, plus running debates in footnotes, to clarify scholarly points. Better to write a long book that can be digested in a series of bite-sized portions than a highly condensed book that takes enormous intellectual energy and vast background knowledge in order to decipher.

I had to make the books long in order to make them coherent. Highly condensed writing is too difficult to read, too easy to skip over key parts in some argument, and therefore too easy to misinterpret. On

3. Cited in Isadore Twersky, *Introduction to the Code of Maimonides (Mishneh Torah)* (New Haven, Connecticut: Yale University Press, 1980), p. 45.

4. See, for example, his lengthy reply to Rabbi Phinehas ben Meshullam, judge in Alexandria: *ibid.*, pp. 30–37. Twersky cited Rabbi Joseph Karo, the sixteenth-century scholar and Kabbalist: "The generations that followed him could not understand his works well . . . for the source of every decision is concealed from them. . . ." Twersky then remarked: "To this day [1980], the quest for *Mishneh Torah* sources in unknown Midrashim and Geonic responsa, variant readings, etc., continues unabated as one of the main forms of Rabbinic scholarship." *Ibid.*, p. 106.

the other hand, long, involved arguments are difficult to follow and remember. Therefore, I have broken up long arguments into manageable portions by adopting a liberal use of subsections and sub-subsections, plus summaries at the end of each chapter. I strongly recommend that whenever you see a bold-faced subhead, you should pay attention to it; the same goes for the italicized sub-subheads. They are there to help you get through each argument, as well as for convenient reviewing.

Conclusion

This set is supposed to be consumed in bite-sized portions; I have therefore done my best to make every mouthful both tasty and nourishing. To keep readers in their chairs and turning the pages of this book, I have done my best to put useful information on every page. There is no fluff. The extended footnotes are also filled with all sorts of choice tidbits that would otherwise be quite difficult to locate. I also use footnotes for running debates that do not belong in the main text, or to settle scores with my critics. Footnotes can be fun!

GENERAL INTRODUCTION

AN ECONOMIC COMMENTARY ON THE BIBLE

. . . of making many books there is no end; and much study is a weariness of the flesh.

ECCLESIASTES 12:12b

The same thing is true of making many online videos.

GARY NORTH

This is the first volume in a multi-volume economic commentary on the Bible. The Bible is filled with material that relates to economics in the broad sense, meaning political economy, as it was called in the nineteenth century, or moral philosophy, as it was called in the eighteenth century. My intention for this commentary is to lay the intellectual foundations for a comprehensive restructuring of all of social sciences in terms of biblical revelation.

I wrote this commentary as the exegetically mandatory preliminary exercise in my attempt to answer this question: **Is there a uniquely biblical economic theory?** I knew that until I did this exegetical groundwork, I could not legitimately expect to be able to answer this question accurately. I wrote it mainly for myself. I needed to know.

There are 30 other volumes in this series. Why should you read this one, let alone the other 30?

If you are a pastor in search of material to write a sermon on a passage in this commentary, you have come to the right place. Commentaries survive longer than other Christian books. There is always a pastor in need of sermon material. Pastors will read individual chapters.

What if you are not a pastor? Why should you read one or more volumes? Do you want to know correct answers for one or more of the following questions?

What does the Bible teach about economics?

Why is biblical economic theory necessary to understand the world correctly?

Why is biblical economic theory necessary to understand the Bible correctly?

Why does the Bible spend so much space on economics?

How should a Christian society operate economically?

What does God want you to do with your wealth?

Why do you think you do not have much wealth when you really do?

What do you owe God?

What can you legitimately expect from God?

How should you decide what to do with your life?

Is learning answers to one or more of these questions worth the time and money it will take you to read 31 volumes? That depends on your priorities.

A. Judicial Continuity and Discontinuity

In studying the laws of Moses, the Christian commentator needs a hermeneutic: a principle of biblical interpretation. He needs this above all: a way to determine which laws were annulled by Christ's death, resurrection, and ascension, and which were not. When I completed my four-volume commentary on Leviticus, I came to this conclusion (in the Conclusion). There were four separate categories of law in the Mosaic code.

1. Land laws (Israel)
2. Seed laws (families/tribes)
3. Priestly laws
4. Cross-boundary laws

Only the fourth category extends into the New Covenant. I have done my best to classify every economic law in terms of this four-fold system.

So, I have asked these two questions:

1. How was a law supposed to apply under the Old Testament?
2. How is it supposed to be applied under the New Testament, if at all?

I begin each exegetical chapter with this: identifying the theocentric focus of the passage. God is central. Man is not. We should begin with what God expects and why—not with what man expects and why.

To build an exegetically based alternative to my commentaries and my final presentation of Christian economics, my critics will have to do a great deal of work. I do not expect any of them to do this. They will have to suggest an alternative. As the old saying goes, "you can't beat something with nothing." But what is their "something" likely to be? So far, there is none.

Does this mean that I regard all previous attempts to make a case for Christian economics as incomplete? Yes. As more hopeful than exegetical? Yes. As premature? Yes. As misguided? No.

B. The Background of This Project

I became a Christian in July of 1959 at the age of 17. By the end of my freshman year in college a year later, I had decided that the academic field of economics should be studied in terms of the Bible. I was becoming aware of the fact that there was no explicitly Bible-based body of material available on the topic of Christian economics. I did not imagine then that I would have to write the intellectual foundations of this required body of material. I kept looking. By the age of 20, I knew that I would have to write it. I did not know that I would also have to raise the funds to publish it, except for what I paid for out of my own pocket. My adult life has been devoted to this task.

Almost from the day that I announced this project in the early 1970s, I have been asked the same question: "Are you saying that there is a uniquely Christian economics, different from secular economics?" My answer has been simple, "yes." Yet my answer goes beyond even a simple "yes." Following the presuppositional methodology of Cornelius Van Til, I am saying that *there is no economics except Christian economics*. I am not simply arguing that Christian economists should develop a better approach to economics, both theoretical and practical. Rather, I am saying that Christian economists are required to work out the biblical principles of the only reliable economics there can ever be, revelational economics.

If Christians in any academic field say merely that we have a better approach, an approach that is superior to others, but nevertheless one among many, then we have misunderstood the comprehensive claims of God on our thinking. Every thought, every action, every conceivable aspect of human life must be subdued by biblical principles. *There are no neutral zones outside of God's providence and God's law-order.* There are no testing areas for God's word. There is only His truth and man's error.

This is not to say that secular economists have discovered nothing that is true. What they claim to have discovered may very well be true, but when such a conclusion is true, then the secular economists have come to that conclusion by using borrowed (stolen) premises. Whatever the economist says that is fully consistent with his methodological presupposition of intellectual neutrality, or cosmic impersonalism, or any other form of God-denying humanism, cannot possibly be true. Conversely, anything that he says that is true cannot be fully consistent with his self-proclaimed neutrality, cosmic impersonalism, or other God-denying or God-limiting presuppositions.

I have been told repeatedly that there is no such thing as a uniquely Christian economics. I have been told this by atheists with Ph.D.s in economics. I have been told this by Christians with Ph.D.s in economics. I have been told this by pietistic, emotionalistic, antinomian Christians without the foggiest notion of economics. After a while, I grew tired of being told this, so I decided that what needed to be written is a comprehensive book on Christian economics. That book had never been written. There are books, including my *Introduction to Christian Economics* (1973), that have begun to explore a few aspects of Christian economics, but there is no comprehensive treatise along the lines of Adam Smith's *Wealth of Nations* (1776) or Ludwig von Mises' *Human Action* (1949). There are smaller books that claim to be defending Christian economics, but which actually defend free market economics or Keynesian economics by means of a few biblical quotations.

Before someone writes a comprehensive treatise on Christian economics, he needs a systematic commentary on the Bible that deals with the Bible as a guide for economic reasoning and practice. But why bother? Because if we do not know what the Bible has to say about economics, then we are "flying blind" when we begin to construct elaborate economic theories in the name of the Bible. In 1973 I decided to devote myself to the production of an economic commentary on the Bible as a preliminary study which, I hoped, would lead to the writing of a treatise on Christian economics.

I hope that readers will begin to grasp the magnitude of the task I set for myself after they have finished my commentary on Genesis. There should be no question in anyone's mind that the Bible has a lot to say about economics. They still may not be convinced that there is a uniquely Christian economics, but there should be no question of the large quantity of data for economics which the Bible presents to us.

I began this commentary in the spring of 1973: Genesis 1:1. It took until the latter part of 1999 for me to finish the first draft of my economic commentary on the Pentateuch: the first five books.

My first published book was *Marx's Religion of Revolution* (1968), a critical analysis of Marx's thought, including his economics. I understood early that the war for the minds of men in the twentieth century was primarily between Communism and Christianity, and that this war involved every area of life. It is a war no longer in progress. Communism lost—indeed, lost in the most spectacular collapse in intellectual and institutional history. I have said before that the evidence of this collapse could be seen in the discount book bins in used book stores. Books on Marx, Marxism, and Communism were sold in the early 1990s for $1. There was no more market. When the Berlin Wall was torn down in 1989 by Germans on both sides of the wall, the handwriting was on the wall for Communism. On December 31, 1991, the Soviet Union's leaders killed it in the collapse of the largest empire in history. Not a shot was fired. Nothing like this had ever been seen in recorded history. The bad guys lost, and lost spectacularly in full public view. It was magnificent—by far the greatest event of my lifetime.

Marx's Religion of Revolution appeared four years before I was awarded my doctorate in 1972. My second book, *An Introduction to Christian Economics*, was published in the spring of 1973. It was a collection of essays, many of which were rewritten versions of essays that had appeared in *The Freeman* from 1967 onward. I knew it was insufficient at the time. So, at about the time that *Introduction to Christian Economics* was published, I decided to begin a detailed exegetical commentary of the economic teachings of the Bible. This was my wife's suggestion. It seemed foolish to attempt to write a textbook in Christian economics, let alone a treatise along the lines of Adam Smith's *Wealth of Nations*, without first laying exegetical foundations that clearly establish exactly what the Bible says about economics. Otherwise, the project would be a form of baptized humanism, because economic theory is methodologically atheistic, and has been ever since the late seventeenth century.[1]

The world does not need another half-baked defense of capitalism that is supported by a handful of disconnected Bible verses. Such

1. William Letwin, *The Origins of Scientific Economics: English Economic Thought, 1660–1776* (London: Routledge, [1963] 2003). This book was first published by M.I.T. Press and, two years later, by Anchor, in an inexpensive paperback edition.

books are far too easy for Christian political liberals to dismiss. I argue that capitalism necessarily results when the whole counsel of God is preached, believed, and obeyed by any society. The standard rhetorical response of humanist-educated Christian political liberals to my assertion is this: "Proof-texting! Proof-texting!" This is their code word for "this is getting too close for comfort ethically and politically." I therefore realized by age 31 that writing an economic commentary on the Bible would become my lifetime project, and that I would probably never write the Christian version of *Wealth of Nations*. Today, I think I may complete that task. I have completed the preliminary exegesis: 31 volumes of exegesis and appendixes.

I completed a preliminary outline of my economic commentary on the Pentateuch in 1980, when I finished the last of my monthly columns on the Pentateuch in the Chalcedon Foundation's *Chalcedon Report*. I did not realize that the final version of Exodus would require the publication of six volumes. I did not realize that the necessary appendixes would become as long and as involved as they became. These include the visible appendixes at the end of each volume, but there were others. *Dominion and Common Grace* (1987) is a study of the relationship between biblical law and historical progress. *Is the World Running Down?* (1988) is a study of the physical science concept of entropy and its supposed importance in social theory. Then there were *Political Polytheism* (1989) and *Millennialism and Social Theory* (1990). These four books started out as appendixes to *Tools of Dominion*, my commentary on Exodus 21–35, which was published in 1990. I have decided to publish *Tools of Dominion* in this set in two separate volumes.[2] These do not include the appendixes.

In 1977, I decided to devote ten hours per week, 50 weeks per year, until I reached age 70, to writing and publishing this commentary. I completed the first draft in 2009 at the age of 67. I did not originally believe that I would complete the project by age 70, but I did.

C. Theological Schizophrenia

Most Bible-believing fundamentalists generally agree with the bulk of the economic conclusions in my writings. They may object to my theonomic, postmillennial theology, but not my economics. Instinctively, they are favorable to economic freedom. They are philosophical nominalists and methodological individualists, so they tend to

2. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990).

agree with a social philosophy that emphasizes decentralized institutional arrangements rather than state-imposed solutions to economic problems.

On the other hand, my economic conclusions receive considerable criticism from neo-evangelical and even Calvinistic theologians, whose secular graduate school training has left many of them with unmistakable socialistic scars. These tenured scholars believe in state-supported higher education and state-supported everything else (except churches). They are not socialists or collectivists, they insist repeatedly, but somehow they can always be found recommending additional government welfare spending.[3] Ronald Sider's *Rich Christians in an Age of Hunger* (1977) was a best-selling example of this sort of thinking.[4] Douglas Vickers' *Economics and Man* (1976) was a worst-selling example. The more academically respectable the college or seminary, the more politically liberal (statist) its faculty tends to be.[5]

The neo-evangelicals therefore disagree with both my theology and my economic conclusions. At least these neo-evangelical defenders of the state clearly perceive that my free market economic conclusions flow directly and inescapably from my theonomic theology; they reject both my theology and my conclusions.[6]

Fundamentalists are far less likely to acknowledge the consistency of my theology and my economics, since they want to avoid having to follow my economic conclusions back to my theology. They imply (though never quite state) that my economic conclusions somehow are not an integral aspect of my theonomic theology, that there is some unstated and unexplained discontinuity between what I believe about biblical law and what I conclude about economics. Fundamen-

3. Joel McDurmon, *God versus Socialism: A Biblical Critique of the New Social Gospel* (Powder Springs, Georgia: American Vision, 2009), Pt. 2.

4. Ronald J. Sider, *Rich Christians in an Age of Hunger: A Biblical Study* (Downers Grove, Illinois: Inter-Varsity Press, 1977). For a line-by-line refutation, see David Chilton, *Productive Christians in an Age of Guilt-Manipulators: A Biblical Response to Ronald J. Sider*, 3rd ed. (Tyler, Texas: Institute for Christian Economics, [1981] 1996).

5. James Davidson Hunter, *Evangelicalism: The Coming Generation* (Chicago: University of Chicago Press, 1987), pp. 165–80, Cf. "What Theologians Believe," *This World*, I (Summer 1980).

6. See the three essays by my critics in Robert G. Clouse (ed.), *Wealth and Poverty: Four Christian Views of Economics* (Downers Grove, Illinois: InterVarsity Press, 1984). This $5.95 book was selling well when it was mysteriously pulled off the market by InterVarsity in 1985. It sold all copies to the Institute for Christian economics for 25 cents each, plus postage. The editor wrote to me in amazement; the book had been selling well. I like to think that my article and my three responses to the other authors were the cause of InterVarsity's decision to kill the book.

talists find nothing objectionable in this supposed dualism between my theology and my economics, because they also insist on maintaining a similar dualism, namely, a radical distinction between politics and theology. They maintain this dualism—intellectual schizophrenia—because of their insistence on a radical discontinuity between Old Testament law and New Testament ethics.[7]

This commentary series is a direct assault against two religions: the power religion and the escape religion.[8] We can find both varieties of these rival yet cooperating religions in every religion, including the religion of humanism. I am coming in the name of dominion religion, the religion presented first in Genesis 1:26–28.

I am coming in the name of an idea: *comprehensive redemption*.[9] In every area of life that has been affected by the Fall of man and by original sin, the gospel of Christ liberates people from sin. Wherever sin reigns, there the gospel calls people to repent: to turn around. By liberating individuals from sin, the gospel liberates institutions and cultures from sin. To deny this—as Christian escape religionists do—you must assume that drunks will remain drunks after conversion, that wife-beaters will remain wife-beaters, and that God does not care one way or the other. The Apostle Paul rejected this view of Christianity (I Tim. 1:9–10).[10] So do I.

D. A Christian Worldview

In this, the second decade of the twenty-first century, we have seen many attempts to label this or that perspective as Christian. What we have yet to see is detailed exegetical work proving the case. We hear about "the Christian worldview." What we do not see is *specific biblical content* that identifies such a worldview as uniquely Christian, meaning uniquely based on the Bible. *Saying that a worldview is Christian does not make it so.*

Once we claim to have such a worldview, it is time to begin applying it to the world around us. He who says that there is such a worldview, one which Christians have no obligation before God and man

7. Gary North, "The Intellectual Schizophrenia of the New Christian Right," *Christianity and Civilization*, I (1982).

8. Gary North, *Authority and Dominion*, Part 1, *Representation and Dominion* (1985).

9. Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988), Appendix C; "The Theology of Comprehensive Redemption."

10. Gary North, *Hierarchy and Dominion: An Economic Commentary on First Timothy*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 1.

to implement, is like a man who sees himself in a mirror and then goes away, forgetting what he has just seen (James 1:24). Such a person is the hearer of the word, not a doer (James 1:22–23).

To say there is a Christian view of anything is to call for Christian reconstruction. The only model adequate for such a restructuring, both intellectually and objectively, is the biblical covenant. Christian scholars must self-consciously adopt methodological covenantalism as their epistemological foundation. Neither philosophical nominalism (individualist and subjectivist) nor realism (collectivist and objectivist[11]) can serve as consistent, reliable foundations of human thought, including economics.

My economic commentary can serve as a model for how other academic disciplines can and should be restructured. We need similar commentaries in many other fields.

E. Biblical Covenantalism

The doctrine of the covenant is basic to a proper understanding of the Bible. I accept R. J. Rushdoony's assertion: "Infallibility is an inescapable concept and fact; it is the locale of infallibility which is in question. The canon or rule of life and faith is either from God or from man. It is either the canon of covenant law, or it is the canon of man's word as law."[12] *It is either biblical law or humanistic law. It is either the biblical covenant or a humanistic covenant.*

By identifying the covenant as the heart of the battle between humanism and Christianity, Rushdoony challenged the modern church to deal with the biblical covenant and adopt it as the key to understanding. The Bible itself, he correctly argued, is a covenant document. Either we adopt the canon of covenant law as our guiding principle of interpretation, or the canon of man's word as law. There is no third option, no neutral ground of confidence. He wrote:

> The Bible, in fact, is divided into two sections, the Old Testament and the New (or renewed) Testament, witnessing to the two great stages of covenant history. The Bible as a whole is God's covenant word or law, His declaration of the history and nature of His covenant.
>
> A covenant book is thus a canonical book: it is the rule of faith, its law. The books of the Bible are canonical because they are covenantal: they are

11. I do not mean objectivist in the sense that the novelist Ayn Rand meant it.

12. R. J. Rushdoony, *Infallibility: An Inescapable Concept* (Vallecito, California: Ross House Books, 1978), p. 26. Reprinted in Rushdoony, *Systematic Theology*, 2 vols. (Vallecito, California: Ross House Books, 1994), I, p. 23.

> law because they are covenantal. If our view of the covenant is antinomian, then we have neither a covenant nor a canon, only a book for vaguely spiritual and moral counsel. It is then not in essence an infallible word.
>
> While Scripture has many words, it is in essence one word, and is so spoken of in Deuteronomy 4:2. With the close of the canon, the words now stop (Rev. 22:18–19), and the one, unified word remains. Judgment is promised in Revelation 22:18–19 to all who add or detract from the one word, because an altered covenant law is no longer the law itself but a human substitute for law.[13]

F. "Covenant" Defined

What is the biblical covenant? In 1982, when the first edition of my commentary on Genesis, *The Dominion Covenant: Genesis*, was published, I could not have answered this question clearly. While Calvinists have long proclaimed their devotion to covenant theology, the covenant had never been defined clearly in Calvinist literature. There had been a preliminary attempt by Meredith G. Kline of Westminster Seminary to apply to the Mosaic covenant the insights of George Mendenhall regarding the treaty structure of ancient Near Eastern kingdoms. Kline's book did not apply the Mosaic covenant to the New Covenant.[14] On the contrary, his book and his theology were hostile to any such attempt.[15] It was not until the fall of 1985 that Pastor Ray Sutton discovered the specific five-point structure of the biblical covenant as it applies throughout all of the Bible. He developed this thesis while recovering from a serious burn. He presented it in final form in *That You May Prosper* (1987). I helped him edit *That You May Prosper*. My Institute for Christian Economics published it.[16] I regard this insight as the most important theological breakthrough in Protestant history.

This sounds excessive, I know. Here is why I say it. Protestantism's revolt against Roman Catholicism has always rested on judicial theology. It began when Luther publicly rejected the legal authority of the Pope to sell indulgences that would free sinners from God's final negative sanctions. He later denied the legitimacy of the Pope's

13. Rushdoony, *Systematic Theology*, I, pp. 22–23. See Ray Sutton, "The Inescapability of a Master Principle," *Covenant Renewal*, I (June 1987).

14. Meredith G. Kline, *Treaty of the Great King: The Covenant Structure of Deuteronomy* (Grand Rapids, Michigan: Eerdmans, 1963).

15. Meredith G. Kline, "The Intrusion and the Decalogue," *The Structure of Biblical Authority* (Grand Rapids, Michigan: Eerdmans, 1972), pp. 152–71.

16. I started the ICE in 1975. I shut it down in December 2001. With the advent of the World Wide Web and print on demand technology, it was no longer necessary for me to raise funds to publish this commentary series and other materials.

act of excommunication against him. He and his followers had a rival concept of biblical sanctions: ecclesiastical oaths and sacraments. The Protestant Reformation was, above all, *a revolt against the existing system of institutional sanctions*. Sutton identified *sanctions* as point four of the biblical covenant. The Reformation was grounded judicially on a specific covenant theology—one whose adherents believed was worth the risk of going to the stake to uphold.

Because of the then-undeveloped nature of Protestant covenant theology, the Reformers did not offer a unified, well-developed covenantal-judicial case for their separation from Rome. Rome understood the fundamental judicial issue far better than the Protestants did: *the judicial limits of personal submission to oath-bound ecclesiastical and civil authorities*.[17] It was a debate over the legitimacy of the institutional sanctions that had been inherent in the original oaths. This issue has never been settled to the satisfaction of the rival groups.

The Bible presents a unique covenant theology that is comprehensively judicial. Without covenant theology, there is no biblical way to extend Christianity into the realms outside the Christian family and the church. The kingdom of God would then become judicially indistinguishable from any other organized attempt by men to exercise dominion apart from God and His Bible-revealed laws.

The doctrine of God's absolutely sovereign grace that Luther[18] and Calvin preached can be found in Augustine and other medieval theologians. Such is not the case with Sutton's discovery of the five-point covenant. Others had seen that there is a five-point structure, but nobody had identified accurately what all of the five points are, or how they relate to the New Testament. Sutton's discussion and defense of his covenant can be found in his book, *That You May Prosper: Dominion By Covenant* (1987). Here is Sutton's discovery.

1. Transcendence/immanence (presence)
2. Hierarchy/authority/representation
3. Ethics/dominion/kingdom
4. Oath/judgment/sanctions
5. Succession/inheritance/continuity

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17. Roman Catholic leaders from the beginning pointed to Luther's marriage to an ex-nun as the mark of his broken vow of celibacy, which they regarded as representative of his movement. E. Michael Jones, a Roman Catholic historian and social analyst, blamed Luther for modernism. The origin of Protestant Reformation was mostly about sex, he argued. The leaders wanted to get married. Jones, *Degenerate Moderns: Sex and Misbehavior* (San Francisco: Ignatius Press, 1993), pp. 243–51.

18. Luther, *The Bondage of the Will* (1525).

The acronym in English is THEOS, the Greek word for God.

This is a simple model. First, God announces His holy name. He is the absolute sovereign over the universe as its Creator. He is transcendent over, meaning *distinct from*, His creation, yet He is also immanent in, meaning *present with*, this creation. He is neither a deistic God that is so distant from the creation that He cannot sustain it and judge it continually, nor is He a pantheistic God that is so immersed in the creation that He cannot sustain it and judge it continually. He is the Creator; therefore He is the Sustainer and Judge of the universe.

Second, God delegates to men authority over the creation. *Men are His stewards*. They report to Him. He controls the universe, yet He also delegates authority to men to exercise dominion over the creation. Each of God's covenants is marked by a hierarchical chain of command: a bottom-up appeals court structure, not a top-down bureaucracy.

Third, God calls men to exercise dominion. *The tool of dominion is God's Bible-revealed law*. He judges men in terms of their conformity to the terms of the covenant, biblical law. Without law, there can be no covenant.

Fourth, God judges the performance of men. He executes judgment. This judgment is two-fold: *blessing and cursing*. There is always equal ultimacy chronologically of both blessing and cursing, extending beyond the resurrection: the resurrected New Heaven and New Earth and the lake of fire (Rev. 20:14). The sign of this judgment is the oath, technically called a *self-maledictory oath*. The oath-taker calls down the curses of God if he breaks the terms of the covenant. In His grace, God has called down mankind's well-deserved curses on His son, which is why Christ had to die on the cross.

Fifth, there is an inheritance. This is the basis of *historic continuity*. In His grace, God did not destroy Adam and Eve in history on the day that they sinned. He executed judgment, but they did not die physically. He graciously granted physical life to them on the judicial basis of Christ's future sacrificial offering at Calvary. To inherit God's blessings, men must be adopted by grace back into God's family (John 1:12). To refuse the offer of ethical adoption is to remain in the family of God's *disinherited son, Adam*, and to be cut out of God's inheritance in eternity (Acts 17:26).

To make this easier for people to understand, I revamped these five points in my Publisher's Preface to Sutton's book. I asked five questions.

1. Who's in charge here?
2. To whom do I report?
3. What are the rules?
4. What do I get for obeying or disobeying?
5. Does this outfit have a future?

This entire commentary series is an extension of Sutton's presentation of the five points of the biblical covenant. Without the integrating principle of the biblical covenant, this commentary would be seriously deficient.

For any scholar who intends to reconstruct his academic discipline in terms of the Bible, I suggest beginning with *That You May Prosper* and the 2010 edition of my 1980 book, *Unconditional Surrender*. Of course, it would not hurt to read all 31 volumes in this series, but the investment of time would be considerable. Better to start on your reconstruction project and read these after your first draft is complete, assuming you have sufficient time. If my experience is typical, you won't, unless you are young.

G. Five Covenants

There are five, and *only* five covenants in the Bible: the general dominion covenant, plus personal, family, church, and civil covenants. Each of the covenants two through five corresponds to an agency of government. Each has an oath attached to it, either implicit or explicit. Each has all five points of the biblical covenant.

First, there is the dominion covenant. *Mankind's very definition is in terms of the dominion covenant of Genesis 1:26–28*. Man is made in God's image, and he is to exercise dominion in God's name. There is no escape from this aspect of man's being. It extends beyond the resurrection in the resurrected New Heaven and New Earth, and it thwarts covenant-breakers in the lake of fire eternally (Rev. 20:14–15).

This covenant was first revealed to man in the garden. There is *transcendence*: God is the Creator, and He assigned the dominion task to mankind. God was *present* in the garden to teach man the basics (naming the animals). There was *hierarchy*, for God placed Adam under Him and over the creation. There was *law*, and it was manifested in the garden by a forbidden tree. There was an *implicit oath*: violate it, God promised, and the curse is inevitable; obey it, and blessings are assured. There was *continuity*—the promise of eternal life—alongside of *discontinuity*: the promise of death the day that man rebels. The

dominion covenant is the most fundamental covenant. The dominion covenant governs the other four: personal, family, church, and civil. *Mankind is defined in terms of the dominion covenant—not in terms of family, church, or state.*

Second, there is the *individual covenant*. God made His covenant with Adam as an individual, not only as the representative of mankind. God brings judgment on individuals (Luke 16). Individuals suffer the consequences of their actions, both in history and eternity.

Third, there is the *family covenant*. It, too, has all five points of the covenant.[19] God is sovereign over it. There is hierarchy: husbands over wives, parents over children. It has specific laws governing it. It is sealed with a public oath (marriage vow). It involves inheritance and continuity. Personal oaths are called vows. They are referred to in Numbers 30. Women are allowed to take them, and are required by God to adhere to them, but only if the male head of household, the father or the husband, approves within 24 hours (v. 3–8). Widows and divorced women, as heads of their households, may take vows without permission of a man (v. 9). Even though this is a personal oath, we see hierarchy illustrated by this requirement. The individual is under God, and is held accountable directly by God. Most women have to get permission, but are then held directly accountable by God.

Fourth, there is the *church covenant*. God is sovereign over it, and specially present in the sacraments. It has a system of hierarchical authority. Specific laws govern it. There is a baptismal oath, either explicit (adults) or representative (parents in the name of infants). There is continuity: membership and ordination of officers.

Fifth, there is the *civil covenant*. God ordains it and governs it. There is hierarchy: a court system. There are civil laws revealed by God. There are oaths: implicit (citizenship) and explicit (magistrates). There is continuity: elections, constitutional amending process, judicial precedents, etc.

God's five covenants establish the judicial basis of the personal relationship between God and man. *There can be no relationship between God and man apart from a covenant.* This is the overarching definitional covenant, the dominion covenant. Genesis 1:26–28 is truly a covenant: it establishes the judicial basis of the relationship between God and man. God the sovereign Creator (point one) created man-

19. Ray R. Sutton, *Who Owns the Family? God or the State?* (Ft. Worth, Texas: Dominion Press, 1986).

kind to serve as His representatives over the creation (point two), commanding mankind to be fruitful and multiply (point five) and exercise dominion (point three). Mankind as a species is defined by God in terms of this dominion covenant, or what is sometimes called the cultural mandate. This covenant governs all four God-mandated governments: individual, family, church, and civil.

The five books of Moses (the Pentateuch) are themselves presented in the same order as the biblical covenant. This is a very important piece of evidence in favor of the five-point biblical covenant. Those scholars who reject Sutton's thesis need to present an alternative model, one that fits the Pentateuch better, and one that also fits the Ten Commandments better, since they are also structured in terms of the five-point covenant: 1–5 and 6–10.[20]

Critics of this model need to understand an old political aphorism: "You can't beat something with nothing." It is not enough to mumble that "Sutton's book tries to prove too much" or "There are lots of different models in the Bible." There are indeed lots of biblical models, and *all of them are to be understood in terms of the Trinity, the doctrine of creation out of nothing, and the biblical covenant*. We begin and end all biblical studies with God and with the God-man relationship: Trinity, creation, and covenant.

H. The Pentateuch's Five-Point Covenant Structure

Genesis clearly is a book dealing with God's transcendence. Transcendence is point one of the biblical covenant.[21] The opening words of Genesis affirm God as Creator, testifying to God's absolute transcendence, the foundation of the Creator-creature distinction: "In the beginning God created the heaven and the earth" (Gen. 1:1). But biblical transcendence also involves immanence: *the presence of God with His people*. God speaks with Adam, and judges Adam and Eve when He returns to the garden. He speaks to Cain, Noah, and Abraham. He establishes a covenant with Abraham and promises to be with Abraham and Abraham's heirs forever (Gen. 17:7).

Exodus calls the Ten Commandments "the book of the covenant" (Ex. 24:7). God establishes His authority over the Israelites by deliv-

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20. North, *Authority and Dominion*: Part 2, *Decalogue and Dominion*, Preface.

21. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

ering them out of Egypt. He also establishes the hierarchical principle of *representation*. Hierarchy is point two of the biblical covenant.[22] The principle of representation is manifested with God's call to Moses out of the burning bush, telling him to go before Pharaoh as His representative. God delivers the Israelites from Egypt, and then He meets with Moses, their representative, at Sinai. In Exodus 18, Moses establishes a hierarchical civil appeals court system, whereupon God meets with Moses as Israel's representative and delivers His covenant law. The Book of Exodus is a book about rival kings and rival kingdoms, God vs. Pharaoh. Men had to subordinate themselves either to God or Satan through their covenantal representatives.

The Book of Exodus is divided into five sections: the intervention of God into history to deliver His people (Ex. 1–7); the establishment of Israel's judicial hierarchy (Ex. 18); the giving of the law (Ex. 20–31); the judgment of Israel after the golden calf incident (Ex. 32); and the building of the tabernacle, which they carried with them into Canaan (Ex. 35–40).

Leviticus is the book that records the establishing of Israel's ritual and moral boundaries.[23] It is therefore about dominion, for boundaries in the Bible are always associated with dominion. The third point of the biblical covenant deals with boundaries. The third commandment deals with the prohibition of the misuse of God's name—a boundary[24]—and its implications: obscenity, false oaths, and incantations (magical power), thereby affirming dominion through ethics,[25] and the eighth commandment parallels the third.[26] "Thou shalt not steal" is a command regarding ownership boundaries. The eighth commandment indicates that the concept of boundaries is basic to economic ethics, the third point of the covenant. Gordon Wenham commented on Leviticus' place in the Old Testament's covenant treaty structure: "(3) The centerpiece of every treaty was the stipulations section. In collections of law, such as Hammurabi's, the laws formed the central section. The same holds for the biblical collections of law. In the treaties a basic stipulation of total fidelity to the suzerain may be distinguished from the more detailed stipulations covering specific problems. In this terminology 'Be holy' could be

22. *Ibid.*, ch. 2. North, ch. 1.

23. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012).

24. North, *Authority and Dominion*, ch. 3.

25. Sutton, *That You May Prosper*, ch. 3. North, *Unconditional Surrender*, ch. 3.

26. North, *Authority and Dominion*, ch. 8

described as the basic stipulation of Leviticus. The other laws explain what this means in different situations."[27]

God sets apart His people and their worship. He makes them holy—set apart. He places ritual boundaries around them. *The Open Bible* commented: "Leviticus centers around the concept of the holiness of God, and how an unholy people can acceptably approach Him and then remain in continued fellowship. The way to God is only through blood sacrifice, and the walk with God is only through obedience to His laws."[28] The issue is *sanctification*, and this requires *boundaries*: "The Israelites serve a holy God who requires them to be holy as well. To be holy means to be 'set apart' or 'separated.' They are to be *separated* from other nations unto God. In Leviticus, the idea of holiness appears eighty seven times, sometimes indicating ceremonial holiness (ritual requirements), and at other times moral holiness (purity of life)."[29] As R. K. Harrison wrote, the first 15 chapters deal with sacrificial principles and procedures relating to the removal of sin. "The last eleven chapters emphasize ethics, morality and holiness. The unifying theme of the book is the insistent emphasis upon God's holiness, coupled with the demand that the Israelites shall exemplify this spiritual attribute in their own lives."[30] Holiness means *separation from the heathen*.[31] It means *boundaries*.

Leviticus is divided into five sections: the five sacrifices, which follow the five-point covenant (Lev. 1–7); the priestly, hierarchical cleansing of God's house (Lev. 8–16); laws of separation (Lev. 17–22); covenant renewal festivals (Lev. 23–24); inheritance (Lev. 25–27).

Numbers is the book of God's judgment against Israel in the wilderness.[32] Judgment is point four of the biblical covenant.[33] God judged them when they refused to accept the testimony of Joshua and Caleb regarding the vulnerability of Canaan to invasion (Num. 14). They rebelled against Him, and He punished them all by delaying their entry into Canaan until they were all dead, except Joshua and

27. Gordon J. Wenham, *The Book of Leviticus* (Grand Rapids, Michigan: Eerdmans, 1979), p. 30.

28. *The Open Bible, Expanded Edition* (Nashville, Tennessee: Thomas Nelson, 1983), p. 95.

29. *Ibid.*, p. 96.

30. R. K. Harrison, *Leviticus: An Introduction and Commentary* (Downers Grove, Illinois: Inter-Varsity, Press, 1980), p. 14.

31. Jacob Milgrom, "The Biblical Diet Laws As an Ethical System: Food and Faith," *Interpretation*, XVII (1963), p. 295.

32. Gary North, *Sanctions and Dominion: An Economic Commentary on Numbers*, 2nd ed. (Dallas, Georgia: Point Five Press, [1997] 2012).

33. Sutton, *That You May Prosper*, ch. 4. North, *Unconditional Surrender*, ch. 4.

Caleb. "Numbers records the failure of Israel to believe in the promise of God and the resulting judgment of wandering in the wilderness for forty years."[34]

> Israel as a nation is in its infancy at the outset of this book, only thirteen months after the exodus from Egypt. In Numbers, the book of divine discipline, it becomes necessary for the nation to go through the painful process of testing and maturation. God must teach His people the consequences of irresponsible decisions. The forty years of wilderness experience transforms them from a rabble of ex-slaves into a nation ready to take the Promised Land. Numbers begins with the old generation (1:1–10:10), moves through a tragic transitional period (10:11–25:18), and ends with the new generation (26:36) at the doorway to the land of Canaan.[35]

Deuteronomy is the book of the inheritance, point five of the biblical covenant.[36] "It is addressed to the new generation destined to possess the land of promise—those who survived the forty years of wilderness wandering."[37] The children of the generation of the exodus renew their covenant with God and inherit Canaan on this basis. Moses blesses the tribes (Deut. 33), a traditional sign of inheritance in the Old Testament (Gen. 27; 49). Moses dies outside the land, but before he dies, God allows him to look from Mt. Nebo into the promised land (Deut. 34:4). He sees the inheritance. The book closes with the elevation of Joshua to leadership, the transitional event (Deut. 34:9–12).

Deuteronomy is divided into five sections: God's transcendence (Deut. 1:1–5); hierarchy (Deut. 1:6–4:49); ethics (Deut. 5–16); sanctions (Deut. 27–30); continuity (Deut. 31–34).

Thus, the Pentateuch is itself revelatory of the structure of God's covenant. My economic commentary on the Pentateuch is therefore a commentary on a covenant. I call it the dominion covenant, for it is the God-given, God-required assignment to mankind to exercise dominion and subdue the earth that defines mankind's task as the only creature who images God the Creator.

I. The Decline of Christian Casuistry

It is a sad social commentary on Christian intellectual life that no Bible commentary like this has ever been attempted (as far as I have

34. *Open Bible*, p. 127.
35. *Ibid.*, p. 128.
36. Sutton, *That You May Prosper*, ch. 5.
37. *Open Bible*, p. 171.

been able to determine). In fact, it is sad that key men in every academic discipline have not long been writing commentaries in their fields. These should have been begun at least 400 years ago, and certainly 300 years ago. Ironically, it was in the late-seventeenth century that Christian casuistry—the application of biblical principles to daily life—began to decline. That was also the century in which hypothetically neutral economics began to be promulgated, an intellectual innovation described by William Letwin in his book, *Origins of Scientific Economics*. The fact that it took until 1982 to get into print an economic commentary on just one book of the Bible is a testimony to the systematic, conscious retreat from the world of scholarship and practical wisdom on the part of those who call themselves Christians.

Why haven't Christian economists written numerous economic commentaries on the Bible, at least one each century, and preferably one each generation? Has it been that Christian scholars have been suffering from an *intellectual illusion*, namely, that there is *a zone of neutral scholarship* that provides Christians with all the data and logic they need, even though the work is being produced by men who believe that there is no God, and if there were, it could not be the God which the Bible presents?

Consider the implications of the statement, "There is no such thing as a distinctly Christian economics [psychology, political theory, education, etc.]." First, God has not spoken to His people with respect to how they should think and live. He remains silent, providing them with no ethical guidelines. He does not answer His people when they ask Him, "How shall we then live?"

Second, the Bible is not a comprehensive book. The "whole counsel of God" is simply the call to repentance. But, in specific terms, the Bible does not tell us, "Repentance from what?" The Bible is a book aimed at the heart of man, but the heart has no communication with the mind in areas outside of church policy, evangelism, and family life.

Third, the Bible gives the world over to Satan and his rebellious hordes. Not only have they stolen something from God, but God has given this world to them. At the least, they possess it by default, since God has not established guidelines. He does not really own the world, even though He says that He does (Ps. 50:10–12). God has not established rules for lawful stewardship and administration of His property. Satan and his followers have broken no laws of economics,

for there are no laws of economics. Or, if there really are such laws, they are common to every culture, and we do not need the Bible to tell us what they are. Again, we are back to the premise of neutrality.

Fourth, there are no specifically biblical standards that we can use in constructing the kingdom of God. Those Christians who argue that there is no such thing as Christian economics also have a tendency to deny that there is now, or ever will be, a visible kingdom of God on earth, unless Jesus Christ rules it directly by means of standards that He never revealed in His ministry, but which He will reveal to Christians after He returns. Until He returns, we are off the hook; we have no kingdom-building guidelines or responsibilities. So, the rules of the kingdom are indeterminate today.

Fifth, the tradition established by the prophets when they confronted the rulers of their age in the name of God, telling them that they had violated specific biblical laws, is abrogated today. What, then, are we to say about the social message of the prophets today? Why, nothing, obviously. There is nothing to say, because they never really spoke to concrete social sins themselves, or, if they did, we are under grace, not law, socially speaking.

This means, socially speaking, that we are under Moloch, Mammon, or one of the other gods of rebellion, but the critics never mention this. When it comes to topics social, they are sociable: unwilling to "make waves" for the rulers of our day. Undoubtedly, they are not prophets.

If you do not like any or all of these implications, then you must do one of two things. First, prove to yourself that the implications do not follow from the statement, "There is no such thing as a distinctly Christian economics [psychology, political theory, education, etc.]." Second, if you find that these implications do follow from the premise, then you must abandon the premise. If you abandon the premise, then you owe it to yourself, before God, to start learning more about a distinctly Christian economics, psychology, or whatever. Then, once you learn you must begin to apply what you have learned to your spheres of influence.

J. *Sola Scriptura*: Yes or No?

A comprehensive gospel challenges the kingdom of autonomous man in every area of life. It challenges the idea of ethical neutrality. It affirms that neutrality is a myth.

A comprehensive biblical re-structuring of every academic disci-

pline and every social order is therefore mandatory for those who say they believe the Protestant affirmation, *sola Scriptura*: Bible only. A lot of Protestants have proclaimed *sola Scriptura*. The claim is not believable until they also put the affirmation into practice by a comprehensive exegetical and methodological reconstruction of the academic disciplines.

In the past, those who have affirmed *sola Scriptura* have defended their lack of such a reconstruction by affirming another doctrine: *the doctrine of the two historical kingdoms*. They say that there is a *kingdom of regenerate souls*, and there is also a *kingdom of civilization*: politics, economics, science, technology, and culture—all theologically neutral, at least in theory. These kingdoms are legitimately separate, we are assured, yet Christians must live in both kingdoms. More than this: Christians have a moral obligation before God to submit to the prevailing kingdom of man, under which jurisdiction they live, refraining from any attempt to reform this kingdom in order to make it conform to the standards of biblical law. To seek such a reform would be theocratic, they say. It would be triumphalist, they say. Both are bad, they say. So, they affirm the legitimacy of the opposite of biblical theocracy: *humanist theocracy*. Yet they resent having anyone point out this inescapable logical conclusion of their position. They reply: "Humanism need not be theocratic. It can be ethically neutral." (Do you believe this?) They also affirm the opposite of triumphalism: *defeatism*. But they resent being called defeatist. They seek a stalemate for Jesus in history.[38] Problem: neither Christ nor Satan will settle for a stalemate in history. Each seeks victory.

> And Jesus knew their thoughts, and said unto them, Every kingdom divided against itself is brought to desolation; and every city or house divided against itself shall not stand: And if Satan cast out Satan, he is divided against himself; how shall then his kingdom stand? (Matt. 12:25–26).

> But if I cast out devils by the Spirit of God, then the kingdom of God is come unto you. Or else how can one enter into a strong man's house, and spoil his goods, except he first bind the strong man? and then he will spoil his house. He that is not with me is against me; and he that gathereth not with me scattereth abroad (Matt. 12:28–30).

Clear, isn't it? But defenders of the two-kingdoms theology refuse to admit the obvious. *There is no neutrality*. (Do you believe this?)

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38. Gary North, "The Stalemate Mentality," in Gary North, *Backward, Christian Soldiers? An Action Manual for Christian Reconstruction* (Tyler, Texas: Institute for Christian Economics, 1984), ch. 11.

Liberal theologians can and do accept this idea of the two kingdoms. *Scriptura* for the liberal becomes whatever an individual thinks it is. The individual is sovereign. The most famous theologian who affirmed this dualism was Karl Barth.[39] I reject Barthianism. But, in rejecting Barthianism, I also reject the two-kingdoms view that undergirds Barthianism. I suggest that you do, too.

This commentary will undermine my future critics' public declarations that my economic theories are not biblical. Why? Because the critic will not spend the enormous amount of time necessary to read all of this series. He will therefore not be able to say honestly that he has read the entire set and can therefore explain why my conclusions are incorrect. Furthermore, no other Christian economist will have produced anything comparable to this series. So, the critics will have to justify their not bothering to read my commentaries, and also justify the absence of any comparable series by someone holding a rival viewpoint. But how? They will have to settle for arguing that my hermeneutic—my principle of biblical interpretation—is wrong, so that they do not have to read my series nor point to an alternative series of commentaries. This argument will pressure them to affirm their own hermeneutic, namely, that the Old Testament has been completely replaced judicially by the New Testament. Given such a view, there is no judicial continuity for society, Old to New.

If this hermeneutic of judicial discontinuity is true, then there is no New Testament biblical law against bestiality by single men or women. Why not? Because there is no New Testament injunction against bestiality. The theologians of the two-kingdoms do not want to deal with this inescapable implication of a comprehensive rejection of the Mosaic law. I do not let them forget it.[40] Neither should you. Ask the person who affirms the two-kingdoms view how he would justify a civil law against bestiality in a society in which it is legally acceptable. Remember: he cannot legitimately cite the Mosaic law and its required civil sanction.

I suggest that you think "legalized bestiality" whenever you hear the phrase "two kingdoms."

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39. Cornelius Van Til, *Christianity and Barthianism* (Philadelphia: Presbyterian and Reformed, 1962).

40. Gary North, *75 Bible Questions Your Instructors Pray You Won't Ask* (Tyler, Texas: Institute for Christian Economics, 1984), ch. 26.

K. No Visible Market...Yet

As an author, I advise an aspiring author to decide before he writes one word exactly what his intended market is. He should mentally imagine a representative individual of this market. He should write for this person. He must not write for a committee.

This economic commentary series appears on the surface to be a product without a market. There are three potential groups that might read one or more volumes: economists, pastors, and laymen.

Economists are generally atheists or agnostics, and have been ever since the early nineteenth century. They have overwhelmingly been epistemological atheists, meaning that when it comes to questions of human knowledge, God and His revelation are irrelevant by definition. This goes back to the late seventeenth century. Therefore, it is unlikely that they will buy any of these books, read one, believe it, or assign it to their students.

Pastors are not likely to read a commentary that is explicitly economic in focus. They might read a chapter on a verse they intend to preach from, but not the entire series. They barely have enough time to read their denominational magazines, let alone serious books on economics. They are not geared to this sort of commentary, especially since this sort of commentary has not been published in the past. In any case, a series like this will force them to rethink much of what they learned in seminary, and few professional people well-established in their field will rethink that field's premises and implications.

Laymen may be interested, but if they believe what this series tells them, they will probably find that what their pastors and friends say about the foundations of economics does not correspond to what they have learned here. That means trouble for them, since pastors and professional businessmen will always be able to challenge their academic competence. The alternative is to remain silent in the face of blatant errors announced by the experts.

Where, then, is the market? This series will be too religious for economists, and too economic for pastors. It will be too difficult for laymen who are not used to reading carefully. Then who are the likely readers? A *remnant*. I mean those Christians who are convinced that there are serious problems with the modern economies of the world. I also mean those who are convinced that there are biblical alternatives to the collapsing secular humanism of our era. I write for those who are convinced that there had better be a distinctly Christian economics, and not baptized Marxism, baptized Keynesianism, or baptized

Friedmanism, let alone the unbaptized varieties. This is not a large audience, but as economic conditions get worse as the present economy hits a mountain of debt in the form of political promises, the audience will grow. I will use brief online videos as the hooks.

Conclusion

Biblical covenant theology is inescapably dominion theology. God has placed on His people the moral requirement of transforming the world through the preaching of the gospel. He has also given mankind the tools of dominion, His laws.[41]

One of my goals for this multi-volume commentary to make it crystal clear that *my theology and my economic conclusions are an unbreakable unit*. If Christians are to make a consistent biblical case for economic freedom, they must make it in terms of the Pentateuch. There is no other way to make a Christian case for economic freedom.

It does no good to appeal exclusively to the writings of humanists to establish the epistemological and ethical foundation for economic freedom, because all humanist thought is inherently self-contradictory. Humanism's dualisms—between subject and object, unity and plurality, determinism and freedom, reason and intuition, phenomenal and noumenal, thought and action—confound the humanists in their impossible goal of bringing coherent explanations to the world. If Christ and the Bible are not acceptable to humanists as the foundations of social institutions, then so much the worse for humanists.

This series is a commentary. It should be useful for those biblical scholars who are simply trying to exegete a passage for its inherent meaning, and not just for those who are seeking strictly economic information. I discovered early in my research on this topic that conventional commentaries are almost devoid of economic insight, and for some verses, the economic ignorance of the writers has proved a stumbling block. They have missed the point entirely in a few cases—not simply the economic aspects of a particular verse, but the major point of the verse (when the point happens to be primarily economic).

Note to the Reader

Throughout this commentary series, I have avoided emphasizing any material in direct citations. If an italicized word or phrase appears inside the quotation marks, then the original author made this decision.

41. North, *Authority and Dominion*, Part 3, *Tools of Dominion*.

The only changes I have made are the very occasional use of brackets to define an author's use of an obscure word.

Additional note: In earlier printings of this commentary, I capitalized the word "State"—civil government in general—in order to distinguish it from those regional entities in the United States, "states." I have not done so in this edition of these books.

—January 2012

INTRODUCTION

SOVEREIGNTY AND DOMINION

The first edition of this book appeared in 1982. It was titled, *The Dominion Covenant: Genesis*. A second edition appeared in 1987. In between, my thinking had been clarified by Ray Sutton's book on the five-point biblical covenant, *That You May Prosper: Dominion By Covenant*, which I helped him edit, beginning in 1985, and which my Institute for Christian Economics published in 1987.[1]

I have decided to re-title this volume to reflect point one of the biblical covenant: *sovereignty*. God created the world out of nothing and sustains it providentially. He is therefore sovereign over His creation. I have also decided to re-issue the three original volumes on Exodus as a six-volume set with one title: *Authority and Dominion*.

A. Covenantal Economics in Genesis 1–2

The Book of Genesis is the first book in the Pentateuch. It corresponds to point one of the biblical covenant. What is the biblical covenant, and how does it manifest itself in the Book of Genesis? We see this relationship best in the first two chapters of Genesis.

1. Transcendence/Immanence (Presence)/Sovereignty

Chapter 1 of Genesis deals with cosmic personalism. This is based on the Creator-creature distinction. God is wholly distinct from His creation. It shares no common being. There is no "chain of being" between God and man. This is the continuing theme of Sutton's *That You May Prosper*, and it is crucial. The Roman Catholic doctrine of transubstantiation (the bread and wine become the literal body and

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992).

blood of Christ) is based on a chain-of-being doctrine. So is natural law theory. In contrast to this view is that of the Reformed faith: the covenantal connections between man and God, God and the sacraments, man's law and God's law. God is transcendent to the sacraments, yet present in them covenantally, meaning judicially. The covenant is basic to the proper understanding of creation, and the doctrine of creation is basic to the covenant. Any downplaying of the doctrine of God's creation of the universe out of nothing in six literal 24-hour days is an implicit attack on the covenant. It is not a coincidence that Darwinism denied the creation and also denied any covenantal system of personal responsibility of man under God. This is why Darwinism swept the world: nineteenth-century men wanted to escape their sense of covenantal responsibility before God.

2. Hierarchy/Covenant/Authority/Representation

God established a covenant with Adam, who judicially represented all mankind. Neither Adam nor Eve existed when God announced this covenant (Gen. 1:26). God therefore made this covenant *representatively*. He did so in plural voice: "let us make man." This was the beginning of the dominion covenant. In every biblical covenant, there is a hierarchy: God over man. In this covenant, this hierarchy is announced in verse 26. "And God said, Let us make man in our image, after our likeness." Man is made in the image of God. Man is *representative* of God in history.

I agree entirely with Rushdoony on this point: "The second characteristic of Biblical law is that it is a treaty or covenant."[2] Man has been placed by God over the creation. In Chapter 2 of this book, we see that the sun, moon, and stars were created after the earth and the plants were. They were created to serve the needs of man, primarily as chronological devices. This hierarchy is basic to the covenant structure: *under God and over the creation*. "And God said, Let us make man in our image, after our likeness: let them have dominion over the fish of the sea, and over the fowl of the air, and over the cattle, and over all the earth, and over every creeping thing that crawleth upon the earth" (Gen. 1:26).[3] This was repeated to Noah after the flood (Gen. 9:1–3).

Representatives of modern, pietistic, Protestant fundamentalism have denied that this covenant involves hierarchy over the world.

2. R. J. Rushdoony, *The Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), p. 7.

3. Chapter 3.

They have done so in a self-conscious attempt to justify their retreat from personal responsibility for the general culture. They have made an implicit alliance with power-seeking humanists who seek to exercise dominion.[4] They argue that, while men do get to exercise dominion over nature, there is no element of social hierarchy in these verses. This is theological nonsense. God placed Adam over his wife, and the two parents over their children. He places church officers over congregation members, and civil magistrates over citizens and local residents. *There can be no dominion over nature without human hierarchies.* The question, then, is: Whose covenant law will rule these hierarchies, man's or God's?

Throughout European history, we have seen similar doctrines of a world without hierarchy. In the early radical religious revolutionary movements that swept over late-medieval and early modern Europe, the sects' leaders initially preached total equality. Then, step by inevitable step, they imposed radical totalitarian hierarchy, usually with plurality of wives, but only for the leaders.[5] They began in the name of radical individualism, and ended in radical hierarchy.

There is no escape from hierarchy. Hierarchy is a covenantal reality. It is never a question of "hierarchy vs. no hierarchy." It is always a question of *whose* hierarchy. Those who preach a world without hierarchy, meaning a world without dominion by covenant, are either seeking to confuse their victims, or else they are incredibly naive accomplices of the power-seekers who do not want God's covenantal hierarchy. Follow their doctrine of "no hierarchy" at your own risk.

3. Ethics/Law

Every covenant has a law. The dominion covenant's law relates to the exercise of dominion over the creation. It appears in Genesis 1:26b. "Let them have dominion over the fish of the sea, and over the fowl of the air, and over the cattle, and over all the earth, and over every creeping thing that creepeth upon the earth."

Rushdoony was correct when he wrote: "The third characteristic of the Biblical law or covenant is that it constitutes a plan for dominion under God. God called Adam to exercise dominion in terms of God's revelation, God's law (Gen. 1:26ff.; 2:15–17). This same calling,

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4. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 1, *Representation and Dominion* (1985), pp. 2–5.

5. Norman Cohn, *The Pursuit of the Millennium: Revolutionary messiahism in medieval and Reformation Europe and its bearing on modern totalitarian movements*, 2nd ed. (New York: Harper Torchbook, [1957] 1961).

after the fall, was required of the godly line, and in Noah it was formally renewed (Gen. 9:1–17)."[6]

Chapter 4 of *Sovereignty and Dominion* outlines the basics of God's command to mankind, "subdue the earth." This is not some afterthought on God's part. It is basic to man's very being. Men are commanded by God to subdue the earth. Thus, obedience requires dominion. Dominion also requires obedience: God's work done in God's way. *Whenever man rebels against God, he becomes a destroyer rather than a subduer.* The difference between subduing nature and exploiting nature is ethics: conformity to God's law. Thus, I write in the middle of the chapter: "…man's fundamental tool of dominion is the moral law of God." The connection between ethics and dominion cannot be broken.

4. Oath/Judgment/Sanctions/Causation

Genesis 1 says that God evaluated His work at the end of each day. Chapter 5 of this book deals with rendering judgment. It discusses value theory in economics. Is value objective or subjective? This is the question that has baffled economists for two centuries. The biblical answer is that value is both objective and subjective in God. God declares what is good and bad. Men are to think God's thoughts after Him as creatures. They are to render godly judgment as His delegated agents. Thus, rendering judgment in history is basic to man's calling before God.[7]

Genesis 2:2–3 speaks of God as having rested after the week of creation. Chapter 6 of this book deals with the sabbath rest idea. Rest for man is a positive sanction. In the Ten Commandments, this comes as the fourth commandment. In Part 2 of *Authority and Dominion*,[8] I discuss this commandment under point four of the biblical covenant: "Sabbath and Dominion." By resting in God's sovereignty, man can achieve rest. He acknowledges his position as God's subordinate agent. God will honor His covenant, and bring blessings to those who obey Him. Therefore, resting one day in seven is a covenantal acknowledgment that God is sovereign, not man.

5. Succession/Inheritance/Continuity/Kingdom

Genesis 2:11–12 refers to gold. Gold has been used as money down through the ages. Chapter 7 of this book deals with the concept of

6. Rushdoony, *Institutes of Biblical Law*, p. 8.
7. See Appendix E: "Witnesses and Judges."
8. Titled *The Sinai Strategy* originally (1986).

money. *There is no more fundamental aspect of money than continuity over time.* Any commodity that is perceived to be valuable over long periods in the past can become a candidate for an economy's money. People will be willing to consider the use of such a commodity as a means of exchange and "storehouse of value," meaning a valuable thing to store. As I wrote in my study of the biblical basis of money: "In short, money is the most marketable commodity. It is marketable because people expect it to be valuable in the future."[9]

The covenant is the judicial ordering principle in the Bible, even reflected in the names Old Covenant and New Covenant (Heb. 8:13). We take communion under the authority of God's covenant (I Cor. 11). Sinners take communion under Satan's covenant (I Cor. 10:20–21). We eat the tree of life or the forbidden tree. Covenant is an inescapable concept. There is no escape from covenants. The question is: *Which* covenant?

B. Another Ordering Principle?

It has been argued that it is illegitimate to search for a single ordering principle in the Bible. This is a predictable comment from someone who has a rival ordering principle that he is quietly importing to his work. Anyone who hears such a critical remark against the use of the covenant as an interpretive model should consider the words of Rushdoony: "The canon or rule of life and faith is either from God or from man. It is either the canon of covenant law, or it is the canon of man's word as law."[10] There are other ordering principles, often related to numbers: three, seven, ten, twelve. There are ordering principles of relationships: father and child, creation-Fall-redemption, and so forth. But the fundamental principle is the covenant. This was how God announced the advent of man (Gen. 1:26–28). *All other ordering principles are subordinate to the covenant.*

There are also many ordering principles in philosophy, but only one is crucial in the discussion of the relationship between God and man: the covenant. The only other alternatives are philosophical realism (Aquinas) or philosophical nominalism (Ockham), and they have proven to be dead ends from the day they were offered as valid alter-

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9. Gary North, *Honest Money: The Biblical Blueprint for Money and Banking* (Ft. Worth: Dominion Press, 1986), p. 20.

10. R. J. Rushdoony, *Infallibility: An Inescapable Concept* (Vallecito, California: Ross House Books, 1978), p. 26. Reprinted in Rushdoony, *Systematic Theology* (Vallecito, California: Ross House Books, 1994), p. 23.

natives to covenantalism. Anyone who argues that there is some other system of interpretation besides the covenant is either a realist or a nominalist. The Christian should not accept either alternative. Rushdoony told us why not: "Nominalism ends by dissolving the world into an endless sea of unrelated and meaningless facts or particulars, whereas Realism progressively denies the validity of particulars, of the many, and absorbs them into an undifferentiated and shoreless ocean of being. At either end, definition, meaning, and truth disappear; at one end total relativism and anarchy, and, at the other, total authoritarianism."[11]

C. Epistemology

There are four chapters in this book that may prove difficult going for the average reader. These four chapters are the most important ones in the field of epistemology, meaning "What do we know, and how can we know it?" These are: Chapter 2, Chapter 5, Appendix A, and Appendix B. Chapter 5 deals with the crucial question of objective value theory vs. subjective value theory. This makes for difficult reading, but what I demonstrate in this chapter is that there can be no such thing as *applied* secular economics. The secular economists cannot, given their own presuppositions, handle the problems of economic value, nor can modern, subjectivist economists legitimately assert that economic statistics have any meaning. The modern economist ignores the implications of his own value theory, going on about his intellectual or financial business as if everything were all right. Everything is not all right. Humanist economics is bankrupt.

There is only Christian economics. If you ask the members of any school of economics—Marxist, Keynesian, inductivist-empirical, deductivist-logical—to show you why members of a rival school have no sound basis for what they are writing, the critics can prove it. I argued in a 1976 essay that modern economics, given its own philosophical starting points, cannot deal with the mind-universe gap, the *a priori* vs. *a posteriori* dilemma, the logic-intuition contradiction, and the law-freedom problem.[12] There, I was dealing with economic theory. What I demonstrate—or, better yet, what I allow modern economists

11. R. J. Rushdoony, *The One and the Many: Studies in the Philosophy of Order and Ultimacy* (Vallecito, California: Ross House Books, [1971] 2007), p. 15.

12. Gary North, "Economics: From Reason to Intuition" in Gary North (ed.), *Foundations of Christian Scholarship: Essays in the Van Til Perspective* (Vallecito, California: Ross House Books, 1976).

to demonstrate for me—in Chapter 5, is this: *applied secular economics is as epistemologically barren as theoretical secular economics*. This may not prove the existence of a uniquely Christian economics, but it does prove that modern secular economics cannot possibly be valid, given the explicit presuppositions of modern economics.

Conclusion

In this book, I begin with God's covenant, not humanism's covenant. I argue for methodological covenantalism, as opposed to humanism's methodological individualism (anarchism)—nominalism—or methodological holism (socialism)—realism. I begin with God's revelation, not human speculation. I begin with Genesis, not Adam Smith's *Wealth of Nations* (1776) or John Maynard Keynes' *General Theory of Employment, Interest, and Money* (1936) or Ludwig von Mises' *Human Action* (1949) or Milton Friedman's *Capitalism and Freedom* (1961). This may bother economists, but so what? I do not expect economists to read an economic commentary on the Book of Genesis.

1

COSMIC PERSONALISM

In the beginning God created the heaven and the earth.

GENESIS 1:1

The theocentric principle here is God as the Creator. From the point of view of economics, this is God as the *cosmic Owner*. It corresponds to point one of the biblical covenant.[1]

A. Creation and Personalism

The opening words of the Bible present us with the most important principle of human knowledge: God created the universe. He created it out of nothing, by the power of His word: "Through faith we understand that the worlds were framed by the word of God, so that things which are seen were not made of things which do appear" (Heb. 11:3). Again, "By the word of the LORD were the heavens made; and all the host of them by the breath of his mouth" (Ps. 33:6). God created the universe by fiat, meaning by the power of His command. Speaking of the Second Person of the Trinity, Paul wrote:

> Who is the image of the invisible God, the firstborn of every creature: For by him were all things created, that are in heaven, and that are in earth, visible and invisible, whether they be thrones, or dominions, or principalities, or powers: all things were created by him, and for him: And he is before all things, and by him all things consist (Col. 1:15–17).

The Revised Standard Version (RSV) translates this latter phrase,

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

"all things are held together in him," and the Berkeley Version concurs: ". . . and in him all things hold together." Through God, the Creator, all things are *sustained*. The doctrine of *creation* is directly linked to the doctrine of *providence*.

From beginning to end, the created world bears the mark of God's handiwork. "The heavens declare the glory of God; and the firmament sheweth his handiwork" (Ps. 19:1). God did not create a self-sustaining universe that is now left to operate in terms of autonomous laws of nature. The universe is not a giant mechanism, like a clock, which God created and wound up at the beginning of time. Ours is not a mechanistic world, nor is it an autonomous biological entity, growing according to some genetic code of the cosmos. Ours is a world which is actively sustained by God on a full-time basis (Job 38–41). All creation is inescapably personal and theocentric. "For the invisible things of him from the creation of the world are clearly seen, being understood by the things that are made, even his eternal power and Godhead . . ." (Rom. 1:20).

If the universe is inescapably personal, then there can be no phenomenon or event in the creation that is independent from God. No phenomenon can be said to exist apart from God's all-inclusive plan for the ages. There is no uninterpreted "brute factuality." Nothing in the universe is autonomous, an English word derived from two Greek words that are transliterated *autos* (self) and *nomos* (law). Nothing in the creation generates its own conditions of existence, including the law structure under which something operates or is operated upon. Every fact in the universe, from beginning to end, is exhaustively interpreted by God in terms of His being, plan, and power.[2]

B. God Is the Cosmic Owner

The starting point of Christian economics—and every other field of thought—is the doctrine of creation. This doctrine establishes that God is the only creator. *Because God is the only creator, He is the original owner*. We read in the Psalms that the cattle on a thousand hills belong to God. "For every beast of the forest is mine, and the cattle upon a thousand hills" (Psalm 50:10). This does not mean that the

2. Cornelius Van Til, *A Christian Theory of Knowledge* (Nutley, New Jersey: Presbyterian & Reformed, 1969), p. 28. "All facts of history are what they are ultimately because of what God intends and makes them to be. Even that which is accomplished in human history through the instrumentality of men still happens by virtue of the plan of God. God tells the stars by their names. He identifies by complete description. He knows exhaustively. He knows exhaustively because he controls completely."

cattle on the hill 1,001 belong to somebody else. God owns the cattle, and God owns the hills.[3]

Because God is the original owner of all things, *He has a legal claim on the output of all creation*. Because God owns the raw materials and the capital, He owns the output of this capital. The entire universe provides the raw materials of productivity.

The theological justification for an economic commentary on the Bible is based on the opening lines of Genesis. God created the world. It is now governed, and has always been governed, by His personal power and purpose. The world is sustained by God. Our world is *providential*. It reflects His orderly being. Our world is therefore *coherent*, and it is man's responsibility, as a species, to discover the providential regularities of the universe, including man's own being, and then use this knowledge in the tasks of subduing the earth to the glory of God.

After Adam rebelled representatively on behalf of mankind, both he and nature were cursed by God. Neither man nor nature was ever normative, but after the Fall and the curses, it is even more erroneous to claim that man or nature is normative. *God's word alone is normative*. It alone can provide the necessary correction to man's rebellious mind and supply the necessary presuppositions of intelligent, God-honoring understanding. This is why we need to study the Bible if we are to discover the truths of economics, or any other academic or professional discipline. The Bible informs us of the limits of man's speculative fancies concerning economics (or anything else). Man has great power under God. He also has definite limits. The Bible reveals both the potential of man and the limits placed on man by his creaturehood, as well as by man's rebellious Fall into sin and the curses placed on the human race by God as a result of this rebellion.

C. Biblical Personalism

Cornelius Van Til, the twentieth-century Christian philosopher and theologian, put the issue forcefully:

> According to Scripture, God has created the "universe." God has created time and space. God has created all the "facts" of science. God has created the human mind. In this human mind God has laid the laws of thought according to which it is to operate. In the facts of science God has laid the laws of being according to which they function. In other words, the

3. Gary North, *Confidence and Dominion: An Economic Commentary on Psalms* (Dallas, Georgia: Point Five Press, 2012), ch. 10.

> impress of God's plan is upon his whole creation. We may characterize this whole situation by saying that the creation of God is a revelation of God. God revealed himself in nature, and God also revealed himself in the mind of man. Thus it is impossible for the mind of man to function except in an atmosphere of revelation. And every thought of man when it functioned normally in this atmosphere of revelation would express the truth as laid in the creation of God.[4]

Man's mind has not functioned properly, as originally designed and intended by God, ever since the day of his ethical rebellion against God in Eden. Nevertheless, man still knows some things, despite the twistings and misinterpretations provided by his own rebellious imagination. He knows enough to condemn himself before God on the day of judgment (Rom. 1:18–20). He knows enough to work and progress in his labors. He knows enough to make some sense of his environment. Men have amassed remarkable quantities of information; nevertheless, man's mind is not determinative, nor was it determinative before Adam's rebellion. God's mind is determinative. *Neither man nor nature is normative.*

God's exhaustive knowledge of Himself and the creation is normative. Because man is made in the image of God, and because man is fully responsible before God, man's mind is capable of apprehending an underlying bedrock of truth. It is man's responsibility to seek out this truth, to the extent appropriate to a creature serving as God's subordinate. We cannot attain perfect, exhaustive knowledge, because such comprehensive knowledge belongs to God alone, but we can attain true knowledge. Therefore, concluded Van Til:

> For the Christian system, knowledge consists in understanding the relation of any fact to God as revealed in Scripture. I know a fact truly to the extent that I understand the exact relation such a fact sustains to the plan of God. It is the plan of God that gives any fact meaning in terms of the plan of God. The whole meaning of any fact is exhausted by its position in and relation to the plan of God. This implies that every fact is related to every other fact. God's plan is a unit. And it is this unity of the plan of God, founded as it is in the very being of God, that gives the unity that we look for between all the finite facts. If one should maintain that one fact can be fully understood without reference to all other facts, he is as much antitheistic as when he should maintain that one fact can be understood without reference to God.[5]

4. Cornelius Van Til, *A Survey of Christian Epistemology*, Vol. II of the series, *In Defense of the Faith* (Den Dulk Foundation, 1969), p. 1.

5. *Ibid.*, p. 6.

No fact (datum) of the universe is independent of God and His plan. No man can assert his own autonomy and then legitimately claim to know anything exhaustively, for to know anything exhaustively requires that the knower understand everything exhaustively. Any fact (datum) in the universe may conceivably have some influence on any other fact. This is why Christians must assert that *all truth is exhaustively interrelated in God's single system of interpretation*. It is God, and God alone, who possesses this exhaustive system of interpretation.

The quest for exhaustive knowledge is demonic. It tempts man to surpass the limits of his creaturely status. It is the lure of Satan, namely, to become "as God." This is why we need God's revelation of Himself in the Bible to achieve accurate, though not exhaustive, knowledge of His creation. *The Bible provides the necessary corrective information, an interpretative context for studying and understanding the creation*. The Bible's revelation keeps us from "going off the deep end" in endless speculation about the inconceivable—inconceivable for man, that is.

Modern man may choose to believe in some version of cosmic impersonalism in preference to a belief in God's cosmic personalism. Nevertheless, the Bible tells that this is an impossible choice to make. The warfare in the Bible is not between God's personalism and the creation's impersonalism, but between God and Satan. *This supernatural conflict is inescapably personal*. Men worship a true God or a false god, but they worship personal beings. There is no escape from the personalism of every choice, however much men seek to impersonalize the universe (generally as a stepping stone to re-personalizing it by asserting the sovereignty of man).[6] We find modern psychologists, especially those in the behaviorist camp, grimly and fanatically depersonalizing even man, the chooser, making him just another product in a strictly impersonal, cause-and-effect universe. But the effort is in vain. Men will spend eternity with Satan or God, either in the lake of fire—specifically prepared for Satan and his angels (Matt. 25:41)—or in the new heavens and new earth (Rev. 21).

Cosmic impersonalism is a myth. We never choose between cosmic personalism and cosmic impersonalism; it is merely a question of *whose* cosmic personalism: God's or Satan's. Eve was tempted by a person who was represented by a serpent. Jesus was tempted in the wilderness by a person (Matt. 4).[7] Cosmic impersonalism is a satanic

6. See Appendix A.

7. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), chaps. 1–3.

delusion, a convenient way to mystify men. Men choose to believe in something other than God, and from Satan's viewpoint, anything else will do just fine. The result is the same: man's destruction, the alienation of man from God, in whose image he was created. Satan is content to stay in the background, when necessary. He is content to be devilish; publicity for publicity's sake is not his style. The darkness suits him fine.

Perhaps the most perceptive analysis of this aspect of Satan's temptation is found in C. S. Lewis' fictional account of a senior devil's advice to a junior devil. Screwtape, the senior devil, gives this advice in *The Screwtape Letters*, Chapter 7 (written during World War II).

> Our policy, for the moment, is to conceal ourselves. Of course this has not always been so. We are really faced with a cruel dilemma. When the humans disbelieve in our existence we lose all the pleasing results of direct terrorism, and we make no magicians. On the other hand, when they believe in us, we cannot make them materialists and skeptics. At least, not yet. I have great hopes that we shall learn in due time how to emotionalise and mythologise their science to such an extent that what is, in effect, a belief in us (though not under that name) will creep in while the human mind remains closed to belief in the Enemy. The "Life Force," the worship of sex, and some aspects of Psychoanalysis may here prove useful. If once we can produce our perfect work—the Materialist Magician, the man, not using, but veritably worshipping, what he vaguely calls 'Forces' while denying the existence of "spirits"—then the end of the war will be in sight.

The Bible's doctrine of cosmic purpose is in opposition to all forms of Darwinism. Darwin's theory of evolution through natural selection was self-consciously opposed to all varieties of cosmic purpose prior to the appearance of man. There is purpose in the universe. God is in charge of this purpose, and He directed this purpose toward mankind, who is made in His image (v. 26).

This may sound like needless theoretical speculation, but it applies to our daily affairs. The Bible tells us that man, as the image of God, is placed in authority over the earth. I will discuss this in greater detail in my comments on Genesis 1:26.[8] For now, the important thing to understand is that *man is so important that the entire universe centers around him*. When I say that it centers around him, I refer to cosmic purpose. Of that which was created, man is the center. He is the center because he is the image of God. He is responsible to God, and the universe is responsible to mankind.

8. Chapter 3.

D. Modern Science's Impersonalism

The doctrine of creation in its biblical form therefore denies one of the most cherished doctrines of the modern world, namely, the doctrine of cosmic impersonalism. This doctrine asserts that all life is the product of impersonal, self-generated, random forces of nature. *Cosmic impersonalism is the heart and soul of the modern doctrine of evolution*, which asserts that evolution operates through the process of natural selection. Undergirding the concept of natural selection is the idea of randomness.

1. Mutations

The idea of evolution is not new; in fact, it was the universal belief of ancient societies, with the exception of the Hebrews. Ancient paganism held a concept of a deity or deities that struggled with the primeval chaos (randomness) in order to produce a somewhat orderly, partially controlled universe—one that is constantly threatened by either too much law or a breakdown of order.[9] It was Darwin's contribution to the modern world to have convinced men that evolution occurs through random changes in living creatures. The interaction between a deterministic external environment governed by strict cause and effect, and species that survive or perish on the basis of random mutations in their genes is the mechanism of evolutionary progress. This is natural selection. The deterministic universe, itself the product of random materialistic forces, brought forth life, and living creatures developed through the uncontrollable random mutations of their genes and the interaction of the biological results of

9. Cf. Mircea Eliade, *A History of Religious Ideas* (Chicago: University of Chicago Press, 1978), pp. 60, 72–73, 91–93; Eliade, *Patterns in Comparative Religion* (New York: Sheed & Ward, 1958), ch. 12; Eliade (ed.), *From Primitives to Zen* (New York: Harper & Row, 1967), ch. 2. Eliade demonstrated that creation myths other than the Hebrew version were marked by a belief that God either struggled with an existing matter to form the world, or the world stemmed from some aspect of the god's being, usually from his anatomy. Only the Hebrews proclaimed an absolute distinction between creature and Creator, i.e., two separate types of being, as Van Til pointed out: "All forms of heresy, those of the early church and those of modern times, spring from this confusion of God with the world. All of them, in some manner and to some extent substitute the idea of man's participation in God for that of his creation by God." Van Til, *The Theology of James Daane* (Nutley, New Jersey: Presbyterian & Reformed, 1959), p. 122. On the Mesopotamian evolutionary creation myths, see Thorkild Jacobsen, "Mesopotamia," in Henri Frankfort, *et al.*, *Before Philosophy: The Intellectual Adventure of Ancient Man* (Baltimore, Maryland: Penguin Books, [1951] 1964), pp. 187–89, 214–16. See also R. J. Rushdoony, *The One and the Many: Studies in the Philosophy of Order and Ultimacy* (Vallecito, California: Ross House Books, [1971] 2007), ch. 3.

these mutations with the environmental changes external to each species. In its original formulation, Darwinism presented a world that is governed by random variation; randomness begetting randomness in a sea of randomness, yet governed entirely by the universally valid and totally unbreakable iron law of natural selection.

Peter Medawar and his wife Jean, two prominent biological scientists, stated the case very plainly in their book, *The Life Science* (1977), and in the intellectual magazine, *Harper's*. The opening words of the *Harper's* extract from the book are illuminating: "Not so very many years ago people talked about 'God and the physicists,' but today the geneticists have elbowed their way to the footlights, and a great change has come about in relations between science and religion: the physicists were in the main very well disposed towards God, but the geneticists are not. It is upon the notion of randomness that geneticists have based their case against a benevolent or malevolent deity and against there being any overall purpose or design in nature."[10] The "god of the physicists," however, had also been a god of randomness, lurking in the shadows of the "as yet-unknown," moving instantly away from any "light" thrown on events by rationalism's laws of physical science. This god was Kant's god of the hypothetical "noumenal" realm—a mental construct who cannot influence the external events of nature. So, Medawar and his wife abandoned such a god as being unnecessary, which indeed such a god is. They forthrightly accepted the new god of creation, *randomness*, giving him all due respect, honor, and glory. Purpose and design, the intolerable evils of Christian theology, must be banished from the kingdom of randomness, at least until man appears on the scene.

2. A Purposeless Universe

Cosmic impersonalism is a way of banishing personal responsibility from the universe. It enables men to ignore the possibility of final judgment in terms of a fixed set of ethical standards. It allows men to ignore the possibility of eternal punishment. It allows man to reinterpret all facts according to his purposes and ideals, both intellectual and moral. Man becomes the determiner and interpreter of the universe. Understandably, secular man prefers not to interpret the universe in terms of God's categories. He much prefers to live in the hypothetically random universe posited by modern humanism—a universe that is slowly grinding to inevitable extinction (the sec-

10. Peter and Jean Medawar, "Revising the Facts of Life," *Harper's* (Feb. 1977), p. 41.

ond law of thermodynamics, entropy).[11] Perhaps the most eloquent statement of what this means was written by Bertrand Russell, the influential British philosopher-mathematician. The world of modern science, he wrote, is "more purposeless, more void of meaning" than the world outlined by Mephistopheles to Dr. Faustus. The modern world has no meaning.

> Amid such a world, if anywhere, our ideals henceforward must find a home. That Man is the product of causes which had no prevision of the end they were achieving; that his origin, his growth, his hopes and fears, his loves and beliefs, are but the outcome of accidental collocations of atoms; that no fire, no heroism, no intensity of thought and feeling, can preserve an individual life beyond the grave; that all the labours of the ages, all the devotion, all the inspiration, all the noonday brightness of human genius, are destined to extinction in the vast death of the solar system, and that the whole temple of Man's achievement must inevitably be buried beneath the debris of a universe in ruins—all these things, if not quite beyond dispute, are yet so nearly certain, that no philosophy which rejects them can hope to stand. Only within the scaffolding of these truths, only on the firm foundation of unyielding despair, can the soul's habitation henceforth be safely built.[12]

As Russell grew older, he became even more pessimistic, more thoroughly consistent with his presuppositions concerning man and the universe. He saw through the glib theologians who had adopted some version of evolution and had then attempted to integrate it into their religious framework. What foolishness, Russell concluded. "Why the Creator should have preferred to reach His goal by a process, instead of going straight to it, these modern theologians do not tell us." But this is only part of their problem.

> There is another and a graver objection to any theology based on evolution. In the 'sixties and 'seventies, when the vogue of the doctrine was new, progress was accepted as a law of the world. Were we not growing richer year by year, and enjoying budget surpluses in spite of diminished taxation? Was not our machinery the wonder of the world, and our parliamentary government a model for the imitation of enlightened foreigners? And could anyone doubt that progress would go on indefinitely? Science and mechanical ingenuity, which had produced it, could surely be trusted to go on producing it ever more abundantly. In such a world, evolution seemed only a generalization of everyday life. But even then, to the more reflec-

11. Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988), ch. 2.

12. Bertrand Russell, "A Free Man's Worship" (1903).

> tive, another side was apparent. The same laws which produce growth also produce decay. Some day, the sun will grow cold, and life on the earth will cease. The whole epoch of animals and plants is only an interlude between ages that were too hot and ages that will be too cold. There is no law of cosmic progress, but only an oscillation upward and downward, with a slow trend downward on the balance owing to the diffusion of energy. This, at least, is what science at present regards as most probable, and in our disillusioned generation it is easy to believe. From evolution, so far as our present knowledge shows, no ultimately optimistic philosophy can be validly inferred.[13]

Humanism is pessimistic. It offers no cosmic hope.

E. The "Impersonal" Free Market

It is quite common for economists to speak of the impersonalism of the market process. By this, the academic economist means that the free market's processes are virtually independent of the will or plans of any single market participant. One man's influence is normally infinitesimal from the point of view of the overall free market system. The market is understood as an impersonal mechanism in the sense that it is the product of millions of human decisions and actions at any point in time. People enter into voluntary exchanges with one another, and the results of their activities have far-reaching implications when considered as a whole. F. A. Hayek went so far as to describe this attitude toward the market—an attitude that he shared, and which he defended more eloquently than any other social philosopher of the twentieth century—as "an attitude of humility toward the impersonal and anonymous social processes by which individuals help to create things greater than they know. . . ."[14] This "impersonal and anonymous" social process is supposed to be a reliable source of continuing economic benefits and continuing personal freedom.

Biblically speaking, this view of the free market is incorrect. While the free market's processes may appear to be impersonal from the point of view of the individual observer, the market is not impersonal from the point of view of God, the omniscient observer. The Christian economist must assert from the beginning that *this supposed impersonalism of the market process* must never be understood to be *a process autonomous from God*. The operations of the market, like the

13. Bertrand Russell, "Evolution," in *Religion and Science* (New York: Oxford University Press, [1935] 1972), pp. 80–81.

14. F. A. Hayek, *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948; London: Routledge & Kegan Paul, 1949), p. 8.

operations of the atom, are ultimately guided by and upheld by God. In fact, the strongest philosophical and theological argument in favor of the free market is that it thwarts the attempt of power-seeking men to attempt to imitate God by centralizing the economic planning system through the civil government, thereby directing the lives of other citizens in terms of the goals of some elite central planning board. *The free market decentralizes economic power, thereby limiting the quest for personal power.* It has as one of its most important functions a definite religious purpose: *to restrict men in their attempt to play God*.

No one has been more eloquent in the presentation of the free market as an institution that decentralizes power than Hayek. His best-selling book, *The Road to Serfdom* (1944), which was condensed and published in the mass-circulation magazine, *Reader's Digest*, in 1945, stated the case for the free market in terms of the limitation of political power.[15] What Hayek and other secular defenders of the free market have failed to understand is this: it is precisely because the market is not impersonal with respect to God and His law-order that it can be said to be impersonal with respect to the plans and actions of any single participant.

The market as a human institution has a definite role to play in limiting the illegitimate quest for total power, which is an inescapable aspect of all centrally planned economies, because central economic planning requires the use of political coercion in order to allocate goods and services in a world of scarce resources. It is not a coincidence that the free market serves this purpose, for it has not evolved as the exclusive product of human action—action that did not have the creation of a free market economy and free market institutions as a goal. The market is not the product of human choices that, with respect to the advent of the free market and the numerous social requirements of a free market, were utterly random historically. Just because no human planning agency ever designed the free market does not prove the free market was undesigned.[16] Men did not design

15. Hayek, *The Road to Serfdom* (Chicago: University of Chicago Press, 1944).

16. The continuing theme in the writings of Hayek is the concept promoted by the eighteenth-century Scottish rationalists, especially Adam Ferguson, that society is the product of human action—the multiple actions of individuals—but not of human design. As in the case of Charles Darwin, the Scottish rationalists were seeking an explanation of the operations of the world apart from continual appeals to the thoughts, plans, and miracles of a transcendent designing God. Hayek argued for this position in numerous works: "The Use of Knowledge in Society," *American Economic Review*, XXXV (Sept. 1945); reprinted in *Individualism and Economic Order*, ch. 4; *Law, Legislation and Liberty*, Vol. I: *Rules of Order* (Chicago: University of Chicago Press, 1973),

a free market to fit their needs for social, economic, and political order, but this in no way implies (as the socialists, Marxists, and central planners in general assert) that the market does not fit men's needs for social, economic, and political order. The free market social order has multiple purposes for man, because it is a direct outgrowth of the application of fundamental moral and economic principles that were established by God to meet the needs of responsible human agents. The free market is a part of God's comprehensive social law-order.

Conclusion

The Creator-creature distinction is the beginning of wisdom. It is the first point of the biblical covenant: *the transcendence of God*. This doctrine must undergird the science of economics, and also every other science. *God is absolutely sovereign over the creation.* The creation is therefore personal. Any discussion of the free market as an impersonal process or institution must always be qualified by the doctrine of cosmic personalism. God, not man, is sovereign.

The most powerful argument of socialists has always been that the free market is impersonal, and therefore it has no ethics. Socialists have argued that there must be a central planning agency, made up of honest, ethical people, in order to provide an ethical foundation for the economy. This assumes that the central planners are highly ethical and remain highly ethical. It also assumes that central planning is rational, meaning predictable. The central planners are assumed to be able to resist the lure of power which central planing necessarily transfers to the planners. After 74 years of Soviet central planning, 1917 to 1991, this theory no longer has many believers. The level of corruption was so great in the Soviet Union that the leadership was called the kleptocracy. They stole. Economist F. A, Hayek devoted a chapter to socialism's inherent corruption in his 1944 book, *The Road to Serfdom*: "Why the Worst Get on Top" (Chapter 10).

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chaps. 1, 2; *Studies in Philosophy, Politics and Economics* (Chicago: University of Chicago Press, 1973), chaps. 5, 6, 11; "The Three Sources of Human Values: A Postscript to Law, Legislation and Liberty," the Hobhouse Lecture given at the London School of Economics (May 17, 1978), reprinted in *Literature of Liberty*, II (April–June 1979), pp. 63–64. For an extremely perceptive critique of Hayek's evolutionistic epistemology, see Eugene F. Miller, "Hayek's Critique of Reason," *Modern Age* (Fall 1976). See also John N. Gray, "F. A. Hayek on Liberty and Tradition," *Journal of Libertarian Studies*, IV (Spring 1980). Arthur M. Diamond, Jr., "F. A. Hayek on Constructivism and Ethics," *Journal of Libertarian Studies*, IV (Fall 1980). The best critical discussion of Hayek is John Gray, *Hayek on Liberty* (London: Basil Blackwell, 1984). Finally, see Appendix B, "The Evolutionists' Defense of the Market."

The biblical answer to the socialists' ethical argument is that the free market is not impersonal. It is highly personal. It is the outcome of a legal system that honors ethics by honoring the principle of personal responsibility. God designed a system of civil law which mandates a private property social order. This social order produces benefits for people who obey the civil law. A system of predictable sanctions—profit and loss—undergirds the free market social order. This is the biblical doctrine of cosmic personalism as applied to economics.

2

PURPOSE, ORDER, AND SOVEREIGNTY

And God said, Let there be lights in the firmament of the heaven to divide the day from the night; and let them be for signs, and for seasons, and for days, and years: And let them be for lights in the firmament of the heaven to give light upon the earth: and it was so. And God made two great lights; the greater light to rule the day, and the lesser light to rule the night: he made the stars also.

GENESIS 1:14–16

The theocentric principle here is God as the Creator. This corresponds to point one of the biblical covenant.[1] But this passage establishes a cosmic hierarchy: God > man > the cosmos. The stars, the sun, and the moon were made for man to be able to judge the seasons. The cosmic hierarchy of majesty—stars to sun, sun to moon, moon to earth—is a *purposeful order* in which *man is the beneficiary*. His purposes are the reason for the cosmos. This places God at the center and man—God's image—just below Him. This corresponds to point two of the biblical covenant: hierarchy/authority/representation.[2] It raises the issue of responsibility.

A. The Irreconcilable War Over Sequence

These verses do not seem to be related to the topic of economics in any way. Yet, in terms of their importance for human thought in general, and economic science in particular, they cannot be overestimated. They are second in importance only to Genesis 1:1 in the field

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

2. *Ibid.*, ch. 2; North, ch. 2.

of cosmology. Because of this, modern secular science is at war with the plain teaching of these verses. These verses are far more difficult to allegorize than Genesis 1:1. Their sequence is too specific. Their perspective is too concrete. Scientists who might be willing to shrug their shoulders at Genesis 1:1, as if the words were harmless poetic relics of the past, would groan in horror if someone suggested that these verses must be taken literally.

1. Cosmic Chronology

The chronological sequence of God's creation of the heavenly bodies is an affront to all forms of cosmic evolution. We are told that the stars, sun, and moon were created on the fourth day, which was the day following the creation of living plants. There is no possible way that this chronological sequence can be integrated into an evolutionary time frame's sequence of historical events.

It is unfortunate that respectable Bible commentators have compromised the explicit language of Scripture by arguing that the stars, moon, and sun were created on the same day that the earth was, but that they did not have any specific function with respect to the earth prior to the fourth (possibly non-literal) day. Nevertheless, the Bible affirms that God created light by the power of his word. This supernatural light separated day from night. Only on the fourth day were specific bodies created to provide light and to separate day from night. One commentator has argued that the sun existed on the first day, but God concealed it by means of some sort of veil, which He then removed on day four.[3] That a Christian scholar seeking acceptance by the humanist academic elite should invent such a fantasy to explain the plain words of Genesis 1 is indicative of just how far from the text modern Christians have wandered, especially university-certified, university-screened, and university-employed Christian scholars. Why should we tamper with the plain teaching of the Bible in this fashion? Are we naive enough to believe that if Christians push back the creation of the stars to the first day, making them co-temporal with the earth, modern evolutionists in the fields of astronomy and cosmology are going to think Christianity might just be plausible after all? Are we supposed to buy a little academic respectability by means of this sort of exegesis?

3. Derek Kidner, *Genesis: An Introduction and Commentary*, in the Tyndale Old Testament Commentaries (Downers Grove, Illinois: Inter-Varsity Press, 1967), pp. 48–49. Kidner did not explain what this "veil" may have been.

Modern science holds that the earth is a relatively late development, possibly only five billion years old, in a universe at least 13 billion years old.[4] What good do we think we will accomplish by ignoring the words of Genesis 1 and arguing for the creation of the sun and stars on the first day, inventing a hypothetical veil or cloud cover to provide an explanation of why the Bible speaks of the sun, moon, and stars as being created on the fourth day? If we are inevitably going to be looked at as fools for holding to biblical revelation, which is unquestionably the case (I Cor. 1:19–21), then why not at least be consistent, straightforward, more offensive fools—fools thoroughly committed to this foolish revelational faith, fools untarnished by the pseudo-wisdom of the world?

Would anyone have bothered to invent a veil or cloud cover for the sun, moon, and stars on days one through three, had he not been confronted with some version of evolution, which he then decided to conform to, at least partially, in order not to appear unrespectable?[5] Let us side with biblical language and cease our pathetic, unrealizable quest for academic respectability within the world of secular humanistic scholarship.

It does no good whatsoever to create such exegetical diversions in an attempt to make the Bible's account sound more reasonable, meaning more scientific, meaning more evolutionary. There are several reasons for this. *First*, modern astronomers argue that the solar system and the earth are relatively recent phenomena when compared to the age of the universe. Astronomers generally have come to some agreement about the limits of chronology, given the fact that many of them adopted the "big bang" theory of cosmology. Sometime in the distant past, between 10 billion and 15 billion years ago, an original hypercondensed matter-energy exploded, thereby creating the universe.[6] The solar system and the earth came much later, approxi-

4. The estimate on Wikipedia, as of 2020, was in the range of 13.8 billion years. See "Universe."

5. As an example of just such a naive compromise, see the quotation from Edwyn Bevan's essay, "The Religious Value of Myths in the Old Testament," cited favorably by Kidner (p. 55): "The stages of which the earth comes to be what it is cannot indeed be precisely fitted to the account which modern science would give of the process, but in principle they seem to anticipate the modern scientific account by a remarkable flash of imagination, which a Christian may also call inspiration." For a detailed account of the depressing history of such Christian misreadings of (and compromises with) evolutionary chronologies, see Appendix C, "Cosmologies in Conflict: Creation vs. Evolution."

6. Gerald J. Whitrow, "The Role of Time in Chronology," in Wolfgang Yourgrau and Allen D. Breck (eds.), *Cosmology, History, and Theology* (New York: Plenum Press, 1977), pp. 175–76. He accepted the 10 billion to 15 billion estimate: p. 176. Carl Sagan, the

mately 4.6 billion years ago.[7] Modern secular science would have to reject any suggestion that the sun, moon, and stars were created on the same day that the earth was created.

2. Cosmic Evolution

Second, when it comes to questions of ultimate origins, the scientists are not agreed among themselves anyway. Toulmin and Goodfield wrote:

> . . . over these cosmological theories there is nothing like the same kind of agreement among astronomers that exists over theories of stellar evolution. In cosmology, the chief protagonists take up standpoints which are sharply opposed, and even—as at present formulated—irreconcilable. Some see the astronomical evidence as supporting a belief that the entire universe began at an initial moment in time about 10,000 million years ago, through a cataclysmic Creation, by which time and matter came into existence together, once and for all. Others believe that the cosmos has had an unlimited existence in time, and its average state and appearance have always been similar to what they are today. This uniformity-throughout-eternity is even presented at times as a necessary axiom of all scientific thought about cosmology—a rational presupposition, to which any acceptable account of the universe must conform. A third party has adopted yet another point of view. The cosmos has neither had an initial Creation, nor displayed an eternal changelessness: instead, it has passed through a recurring cycle of similar changes, oscillating between two extremes, with an overall period of perhaps 100,000 million years.[8]

This last viewpoint is analogous to the pagan concept of recurring historical cycles, and modern Hinduism still holds to it.[9] In fact, as Toulmin and Goodfield argued, all three cosmologies go back to

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best-selling astronomer from Cornell University, where he was Director of Planetary Studies, accepted the "big bang" theory and the 15 billion years figure: *The Dragons of Eden* (New York: Ballantine Books, 1977), p. 13. For a 10 billion estimate, see also Clive Kilmister, *The Nature of the Universe* (New York: Dutton, 1971), p. 151. George B. Field holds to the 10 billion figure, in William C. Saslaw and Kenneth C. Jacobs (eds.), *The Emerging Universe* (Charlottesville, Virginia: University Press of Virginia, 1972), p. 146. The citations could be multiplied.

7. The 4.6 billion years figure is cited by Field, in Saslaw and Jacobs (eds.), *Emerging Universe*, p. 145, and by Harvard astronomer, Fred Whipple, *Earth, Moon, and Planets* (Cambridge: Harvard University Press, 1970), p. 244. The 4 billion to 5 billion years estimate is quite conventional.

8. Stephen Toulmin and June Goodfield, *The Discovery of Time* (New York: Harper Torchbook, 1966), p. 255.

9. Cf. Swami Nikhilananda, "Hinduism and the Idea of Evolution," in *A Book that Shook the World* (Pittsburgh: University of Pittsburgh Press, 1958), pp. 48–60. The book in question was Charles Darwin's *Origin of Species* (1859).

Greek speculation. "Details apart, the general resemblances between twentieth-century cosmology and its ancestors are no mere coincidence. Rather, they prompt one to look for an equally general motive. Is it, for instance, the case that, when evidence about the remote past is too slender for an empirical reconstruction of earlier history, the human intellect for want of anything better falls back naturally on these a priori patterns of theory?"[10] In other words, the cosmologists simply are uncertain about the origin of the cosmos.

Hannes Alfven, the 1970 Nobel Prize winner in physics, stated the case even more bluntly. Alfven was an opponent of the "big bang" theory of cosmology.

> Since the Big-Bang hypothesis is unacceptable, the question arises of what other hypothesis we should place in its stead. The answer is simple and straightforward: none! The Big-Bang conjecture is a myth, a wonderful myth maybe, which deserves a place of honor in the columbarium which already contains the Indian myth of a cyclic Universe, the Chinese cosmic egg, the Biblical myth of creation in six days, the Ptolemaic cosmological myth, and many others. It will always be admired for its beauty and it will always have a number of believers, just as the millennia-old myths. But nothing is gained if we try to place another myth in the place which the Big-Bang myth occupies now, not even if this new myth is adorned with still more beautiful mathematical formulas.[11]

The best that a scientist can do is to guess about the state of the universe a billion years ago, and "the chance that this guess is realistic is negligible. If he takes this guess as the starting point for a theory, this is unlikely to be a scientific theory but very likely will be a myth. . . . To try to write a grand cosmic drama leads necessarily to myth."[12] If he was correct—and I think he was correct—then why should orthodox Christians try to rewrite the story of the six-day creation in order to make it seem a bit more respectable, slightly more in conformity to the latest secular version of the three archetypal cosmic myths concerning origins that happens to be popular at the time?

B. Teleology

The *third*, and by far the most important reason why it is useless and counterproductive to modify the plain teaching of Genesis 1 concern-

10. Toulmin and Goodfield, *Discovery of Time*, p. 258.

11. Hannes Alfven, "Cosmology: Myth or Science?" in Yourgrau and Breck (eds.), *Cosmology, History, and Theology*, pp. 12–13.

12. *Ibid.*, p. 13.

ing the sequence of creation, is that *the heart of modern science's opposition to this account is not the chronology as such*. The reason why modern science has adopted the ancient Greek accounts of cosmology—not the details, of course, but the basic outlines—is that modern scientists, like the ancient Greeks, are attempting to escape from the concept of God-ordained purpose. *What is most offensive to modern science is the idea of cosmological purpose prior to the evolutionary advent of man*.

The heart of the Bible's account of the creation is God and His purposeful word, while the heart of modern evolution is the denial of purpose, whichever of the secular cosmologies a man decides to accept. Apparently this fact has not been understood by those conservative Bible expositors who have chosen to rewrite Genesis 1. We must bear in mind that it was Darwin's insistence on the unplanned, purposeless nature of geological and biological change that won him instant success in the world of secular humanism. Darwin denied all the old arguments for divine purpose as a cause of the orderliness of nature. Natural order proves no such thing, he insisted; natural selection of randomly produced biological changes, not supernatural design, accounts for nature's orderliness. Evolutionary scientists accepted Darwin's denial of cosmic purpose long before there was any idea that the universe might be 13 billion years old. The heart of the Darwinian intellectual revolution was not evolution. *The heart of the Darwinian intellectual revolution was Darwin's explanation of undesigned order*. It was his denial of final purpose, of the universe's ends-orientation, of *teleology*.

Teleology has served Christian apologists ever since the days of Thomas Aquinas (d. 1274) as a major pillar of the five supposedly irrefutable proofs of God. Teleological arguments assert that the order of the universe reflects the orderly God who created it. Not only does this order reflect God, as Paul had argued (Rom. 1:18–20), it supposedly also demonstrates logically that such a God must exist. The universe can only be explained in terms of supernatural design. William Paley, writing in the late eighteenth century and early nineteenth century, convinced the majority of his English and American audiences of the logic of the argument from design.[13]

Consider the perspective of a book produced by faculty members of Princeton University in 1945 for students enrolled in a course on American civilization. This was published five years later by Yale University Press. It is indicative of the outlook of the best universities in

13. See Appendix A: "From Cosmic Purposelessness to Humanistic Sovereignty."

the United States, then and today. It is a description of pre-Darwin explanations of nature's regularities, which Christian theologians and social thinkers accepted in the name of the Bible.

> In the early years of the nineteenth century, orthodox Protestant Christian thinkers, both in England and in America, absorbed the Deist argument in its rationalistic aspects by harmonizing natural religion with revelation. The one was found to strengthen and confirm the other.... Out of this fusion of natural and revealed religion came one of the great arguments for the support of the orthodox faith. This was the doctrine of design. Just as Paley's famous watch bore its own testimony to the activity of the watch-maker, so the universe in all of its marvelous detail sang the praises of its Creator. In an age in which theories of natural law came to permeate social thought, and in which the achievements of applied science were already lending prestige to a rationalistic and materialistic view of things, the argument from design became one of the most useful and widely used defenses for Christianity. Natural religion must of course be supplemented by revealed religion, for each plumbed distinctly incommensurable dimensions. Nevertheless, natural law, as then conceived, was, like the revealed word of God, fixed, absolute, and immutable. The one was clearly apprehended by the intelligence, and the other by the study of Holy Writ.[14]

The concept of a mechanistic, self-sufficient system of natural law had not been recognized as a threat to Christian orthodoxy—a denial of cosmic personalism. Nineteenth-century Christians did not recognize the danger of constructing a systematic theology that rested simultaneously on a biblical pillar and a pillar of secular autonomy. The logic of design seemed so sure, so unanswerable. How else could men explain the extraordinary "fit" among all the parts of creation? Does not such an integrated, coherent environment demand men's faith in a cosmic Designer? And is not this Designer the God of the Bible? If the universe was *designed*, then it has a *purpose* assigned to it by God. Even the ungodly must acknowledge the logic from design, Christian defenders of the faith insisted. The logic seemed inescapable: order implies design; design implies a Designer; a Designer implies purpose. What could be more logical? Christian apologists gave little or no thought to the intellectual vulnerability of this two-pillar defense. What if the secular pillar collapsed?

14. Stow Persons, "Evolution and Theology in America," in Persons (ed.), *Evolutionary Thought in America* (New York: George Braziller, 1956), pp. 422–23. This was first published in 1950 by Yale University Press.

1. Darwin's Challenge

Darwin destroyed the claim of teleologists that no other secular explanation can suffice to explain the orderliness of nature. Not all of his early followers fully understood this point. One who did was Karl Marx, who hailed Darwin's achievement: "Darwin's book is very important and serves me as a basis in natural science for the class struggle in history. . . . Despite all its deficiencies, not only is the deathblow dealt here for the first time to 'teleology' in the natural sciences but their rational meaning is empirically explained." Marx wrote these words in 1861, a little over one year after the publication of Darwin's *Origin of Species*.[15] (Marx knew little about biology; he praised the crackpot racist Pierre Tremaux.)[16]

Darwin's correspondence over the years reveals a few sentences in which some degree of unspecified and impersonal final causation might be admitted, but he never openly embraced a full-fledged teleology, nor is there any primary source evidence documenting his supposed death-bed conversion to Christianity.[17] (These stories of death-bed conversions of famous skeptics have plagued both orthodox Christian historians and the outraged families of skeptics for well over a century. So common were these unsubstantiated rumors of death-bed conversions in the late nineteenth century, that the atheistic National Secular Society in Britain felt compelled to publish extensive obituaries of its members in order to forestall these predictable rumors.[18])

15. Karl Marx to Friedrich Engels (Jan. 16, 1861), in *Marx-Engels Selected Correspondence*, ed. Dona Torr (New York: International Publishers, 1935), p. 125.

16. Nethaniel Weyl, *Karl Marx: Racist* (New Rochelle, New York: Arlington House, 1979), p. 72.

17. For an example of a repetition of the myth of Darwin's late conversion to Christianity, see Francis Nigel Lee, *The Central Significance of Culture* (Nutley, New Jersey: Presbyterian & Reformed Publishing Co., 1976), p. 44. Lee cited as his source a book by H. Enoch, *Evolution or Creation?* (London: Evangelical Press, 1968), pp. 166–67. Enoch, in turn, cited a 1916 article in the *Bombay Guardian* (March 25, 1916). In 1916, Darwin had been dead for 34 years.

18. On late-nineteenth-century "death-bed conversions," see Susan Budd, "The Loss of Faith in England: Reasons for Unbelief among Members of the Secular Movement in England, 1850–1950," *Past and Present*, No. 36 (April 1967), pp. 107, 116ff. Wrote Budd: "It was so widely believed that an Atheist would not die without having repented, that less than thirty hours after [Charles] Bradlaugh's death his daughter began to receive inquiries asking if it were true that he had recanted" (p. 118). Bradlaugh was the founder of the National Secular Society. Rushdoony called attention to this phenomenon of rumors of death-bed conversions in the *Chalcedon Newsletter 34* (June 17, 1968). He cited such stories regarding Horace Greeley, the newspaper publisher in America's Civil War period, Charles Darwin, and Martin Luther King, Jr., the American Negro leader of the 1950s and 1960s. Reprinted in R. J. Rushdoony, *The Roots of Reconstruction* (Vallecito, California: Ross House Books, 1991), pp. 638–40.

There is no question that Genesis 1:14–16 states clearly that the stars, sun, and moon have a specific purpose. They were created on the fourth day to replace the supernatural light that had governed night and day for the first three days. They were created to give light and to separate day from night, as well as to serve as means of identifying the seasons. *This is the heart of the conflict between secular science and biblical revelation*. The Bible clearly states that the universe is theocentric, for God created it. This means, in turn, that the earth, as the home of man, the image of God, is the center of the universe, for it is the center of God's concern, the place where His Son was to live and die and rise again. This does not necessarily mean that the earth is the spatial center of the universe, if indeed it is possible to conceive of the spatial center of the universe. There are some indications that identifying a spatial center is not mentally possible for man.[19] It does mean that the earth is the center of God's interest and plan, and the fact that it was created prior to the heavenly bodies should be sufficient to prove the point. The heavenly orbs were designed by God to serve man and the other living creatures. This is the *purpose* of the heavenly bodies.

Modern secular science, from Darwin to the present, has as its operating presupposition this premise: all causation is autonomous in nature, and no causation is purposive—until the advent of man. The origin of order must be sought in purposeless randomness—the basis of unbreakable scientific law in the nineteenth century, and the acknowledged sovereign in the twentieth—and not in God's purpose and design. To quote the Medawars' statement once again: "It is upon the notion of randomness that geneticists have based their case against a benevolent or malevolent deity and against there being any overall purpose or design in nature."[20] The Medawars have spoken not simply for geneticists, but for the whole of modern science.

2. Randomness and Sovereignty

To overcome the logic of Paley, late-nineteenth-century scientists took the first crucial step: to ascribe the origin of perceived order to random change. *This hypothesis was the major intellectual revolution of the nineteenth century*. The importance of this scientific presupposition cannot be overestimated: it served to free secular science from critics,

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19. See Alexander Koyré, *From the Closed World to the Infinite Universe* (Baltimore, Maryland: Johns Hopkins University Press, [1957] 1976).

20. Peter and Jane Medawar, "Revising the Facts of Life," *Harper's* (Feb. 1977), p. 41.

potential and actual, who might have succeeded in redirecting the work of scientists along biblical lines. But there was a more fundamental aspect of this affirmation of randomness: *to shove God out of the universe, once and for all.* Man wanted to escape the threat of control by a supernatural Creator.

Once that step had been taken, scientists took a second step: to assert the *sovereignty of man*. Since there is no cosmic purpose in the universe, secularists concluded, man is left free to make his autonomous decisions in terms of his own autonomous plans. *Man becomes the source of cosmic purpose*. The purposeless forces of random evolutionary change have at long last produced a new, purposeful sovereign—man—and man now asserts his sovereignty over creation. He takes control, by means of science, over the formerly purposeless laws of evolutionary development. *The universe needs a god, and man is now this god*.

The concept of an order that developed, but which was not transcendentally designed, appeared first in the social sciences, especially in the writings of the Scottish rationalists, most notably the two Adams, Ferguson and Smith. These two mid-eighteenth-century social theorists were attempting to explain the rationality of the market economy in terms of human actions that had never been intended to produce the market order. The market was explained as the product of human action, but not of human design. The evolutionary nature of this explanation should be clear: society is the product of spontaneous forces that are not controlled by any overall purpose of a personal authority. F. A. Hayek, the twentieth-century economist and social philosopher, devoted the bulk of his later academic career to a comprehensive consideration of the implications of this explanation of social development.[21] *Social evolutionary theory preceded biological evolutionary theory by a century*. Darwin and Wallace invented the idea of evolution through natural selection after reading Thomas Malthus, the parson economist who pessimistically predicted that population growth would continually outrun man's ability to increase agricultural production.[22] Even the concept of "the survival of the fittest"

21. F. A. Hayek, "The Use of Knowledge in Society," *American Economic Review*, XXXV (Sept. 1945); reprinted in Hayek, *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948), ch. 4.

22. Gertrude Himmelfarb, *Darwin and the Darwinian Revolution* (Gloucester, Massachusetts: Peter Smith [1959] 1967), p. 66; Loren Eiseley, *Darwin's Century* (Garden City, New York: Doubleday Anchor, [1958] 1961), pp. 181–82, 331–32. Cf. R. M. Young, "Malthus and the Evolutionists," *Past and Present*, No. 43 (1969), pp. 109–45.

was coined originally by a social philosopher, Herbert Spencer, a Smithian defender of the unhampered free market.[23]

The question arose early in post-Darwinian science: Now that man has appeared, can the random processes of nature be left alone to work out their endless non-destiny? Or should man begin to redirect the forces of evolution? Darwin's cousin, Francis Galton, became the founder of eugenics, the idea of genetic planning.[24] In the United States, an early founder of sociology, Lester F. Ward, concluded that the unhampered free market cannot be trusted to produce humane ends, any more than the unhampered forces of nature can be relied upon to promote the purposes of humanity. He began to publish his opinions in the early 1880s, and he was ignored; by the early 1900s, his ideas had overthrown the arguments of the free market Social Darwinists (primarily Herbert Spencer and William Graham Sumner).[25] The formerly autonomous and spontaneous forces of the free market must now be redirected by social and economic planners. Predictably, the biologists picked up the lead of the new social scientists; they also wanted to be sure that evolution would henceforth be purposeful.

C. Purpose

The importance of Genesis 1:14–16 for economic theory, as with all other theories about man and the universe, is the assertion of design and purpose. All of the creation has its purpose in terms of the plan of God. That plan sets man at the pinnacle of the cosmos. Thus, the order of the universe is not the product of an unexplainable cosmic explosion of an original matter-energy. Life is not the random product of random inanimate forces. The development of the market order also is not the product of purely and exclusively random human forces. *The universe is infused with purpose because of the cosmic personalism of the entire creation. Man's attempt to shove God out of the universe leads*

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23. Darwin attributed the phrase to Herbert Spencer in the 5th edition of *Origin of Species* (1868), chap. III (Modern Library edition: p. 52). This was the first time Darwin used the phrase. Spencer first used it in his 1852 essay, "A Theory of Population, deduced from the General Law of Fertility." Cf. J. D. Y. Peel, Herbert Spencer: *The Evolution of a Sociologist* (New York: Basic Books, 1971), pp. 137–38.

24. Galton's most influential book was *Hereditary Genius* (1869). Cf. D. W. Forrest, Francis Galton: *The Life and Work of a Victorian Genius* (New York: Taplinger, 1974). For a highly critical assessment of Galton and eugenics, see Allan Chase, *The Legacy of Malthus: The Social Costs of the New Scientific Racism* (New York: Knopf, 1977), pp. 100–4.

25. Lester Frank Ward, *Dynamic Sociology* (New York: D. Appleton, 1883), 2 vols. For a discussion of Ward's importance, see Richard Hofstadter, *Social Darwinism in American Thought* (New York: George Braziller, 1959), ch. 4. See below, Appendix A:N.

inevitably to the assertion of man's sovereignty over the processes of evolution. Similarly, man's attempt to explain the orderliness of human institutional arrangements—the development of language, the development of the family, the development of the state ("social contract"), the development of orderly markets, etc.—also leads to the assertion that man, meaning an elite, must take control of the spontaneous forces of economic development. In both instances—human biological evolution and human social development—those humanists who have argued for the continuing viability of random, unplanned, undirected, and undesigned processes have encountered increasingly successful academic opposition from the more consistent humanists.

Covenant-breakers refuse to live under the dominion of randomness. Yet they also refuse to live with the idea of a sovereign personal God. Therefore, they have adopted the only intellectual alternative: *dominion by elite planners*. We have seen that men who are determined (meaning self-willed) to escape the dominion of both a caring but sovereign personal God and an uncaring but hypothetically sovereign impersonal random process have chosen to accept the slavery of elitist planning, at least in theory. In practice, they generally try to thwart the plans of the planners in cases where those plans are inconvenient for them.

Purpose is inescapably linked to personal sovereignty. Men of the second half of the nineteenth century who prided themselves in their defense of autonomous natural science's autonomous natural universe were attempting to banish God's sovereignty by banishing the concept of transcendent cosmic purpose. The result was the creation of an intellectual monstrosity which almost no one has been willing to accept. Men usually desire purpose, which means that they desire a purposeful, personal sovereign. A new sovereign was brought forth: planning mankind, which meant, in the twentieth century, a planning elite. Humanism created a philosophy of sovereign purpose, and it thereby helped to bring us the necessary concomitant of such a philosophy: the bureaucratic cage.[26]

A few traditional humanists, whose intellectual roots are still in the nineteenth century, attempted to revive the fading faith in the acceptability and even beneficial nature of decentralized purposefulness. They continued to quote favorably Adam Ferguson's eigh-

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26. Gary North, "Max Weber: Rationalism, Irrationalism, and the Bureaucratic Cage," in Gary North (ed.), *Foundations of Christian Scholarship: Essays in the Van Til Perspective* (Vallecito, California: Ross House Books, 1976).

teenth-century observation that human institutions are the products of human action—decentralized, individualistic planning—but not of human design. The economic theories of virtually all defenders of free market economics, but especially the theoretical framework of the so-called Austrian School—Ludwig von Mises, F. A. Hayek, Israel Kirzner, Murray Rothbard—have been constructed in terms of this eighteenth-century cosmology.

Despite the cogent economic arguments of these men, the modern world has systematically refused to take these arguments seriously. Men want to believe in a concept of immanent cosmic purpose, and this means a concept of a coherent, competent, order-producing planner. Men refuse to believe that successful social and economic coordination that is beneficial for all or most of the members of society can be the product of uncoordinated human actions that are somehow coordinated through a system of private property and freely fluctuating prices. They cling religiously to the concept of personal design. *Most men want to live in a universe with meaning and purpose, but this requires the concept of predestination*. As Rushdoony wrote: "The only alternative to the doctrine of predestination is the assertion of the reign of total chance, of meaningless and brute factuality. The real issue is what kind of predestination we shall have, predestination by God or predestination by man?"[27] In other words, it is never a question of predestination or no predestination. It is always a question of *whose* predestination.

Modern men have rejected the concept of predestination by God. They have been forced to locate some other predestinator: random evolutionary development, market forces, environmental determinism, the forces of production, the cunning of history, sexual sublimation, the will to power, hidden conspiracies, or the central planning agency. In all cases, the predestinating power is seen as part of the creation. *Men become subservient to some aspect of the creation.* Human responsibility is therefore not the opposite of predestination, but rather the obverse of it. Again, the real question is the source of the predestination. To whom will man become responsible?

D. Biblical Responsibility

The doctrine of biblical responsibility is very important to biblical economics. Paul's injunction to "work out your own salvation [sal-

27. R. J. Rushdoony, *The Biblical Philosophy of History* (Vallecito, California: Ross House Books, [1969] 2000), p. 6.

vation which is yours] with fear and trembling" (Phil. 2:12b)[28] is crucially important. It points to the locus of responsibility in the individual. The biblical methodology is *methodological covenantalism*, not methodological holism or methodological individualism. All social, political, and economic analyses must begin with the assumption that the basis of order in society is a personal relationship between God and individual men, and between God and responsible collective groups. *Cosmic personalism is the basis of social order*—the observed regularities in the affairs of men.[29] These regularities are not exclusively the product of acting men, nor are they exclusively the product of collective action. They are in no way the product of purely random forces or purely deterministic impersonal forces (holism). But there is no question that *individual responses to God's commands* are central to the understanding of the various covenants of God, including the dominion covenant. So, the individualistic approach of the classical economists and the neo-classical economists (pre-Keynesian) is not without merit. But classical economics could not survive the onslaught of Darwinism. Rushdoony's analysis is correct.

> Classical liberalism is based on this Enlightenment faith, as is modern libertarianism and conservatism. Nature has, inherent within itself, its own processes and laws which govern reality. Hence, man's attitude is one of *laissez-faire*; there must be no interference with nature's laws and controls. Planning was thus transferred from God to nature. Darwinism destroyed this faith in nature. The process of nature was now portrayed, not as a perfect working of law, but as a blind, unconscious energy working profligately to express itself. In the struggle for survival, the fittest survive by virtue of their own adaptations, not because of natural law. Nature produces many "mistakes" which fail to survive and become extinct species and fossils. The destiny of the universe is extinction as its energy runs down. All of this served to shatter the older faith in nature. Nature as an agency of predestination was gone. It became increasingly evident to naturalistic thinkers that man must control his own evolution and also control the evolution of plant and animal life. Moreover, man must create and control his own social order, so that total statism, total socialism, is "scientific socialism," that is, socialism which recognizes that man cannot exist without predestination and therefore provides for the control of process, for total planning and predestination, by the elite men.[30]

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28. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 19.

29. R. J. Rushdoony, *The Foundations of Social Order: Studies in the Creeds and Councils of the Early Church* (Vallecito, California: Ross House Books, [1968] 1998).

30. Rushdoony, *Biblical Philosophy of History*, p. 7.

The modern heirs of classical liberalism, being Darwinians, have been unable to counter successfully this drift into central planning, despite their cogent arguments in favor of individual responsibility and the free market as an agency of coordination. *Men want cosmic personalism*, and if the God of the Bible is excluded, by definition, by modern humanism, then the god of the planning state will have to suffice. The god of the market is too impersonal, too devoid of cosmic purpose, too theoretical, and unable to guarantee its man-benefiting sovereign power, to impress most Darwinian and post-Darwinian seekers after coherence.

E. Providence and Government

Biblical economics acknowledges the existence of coordinating institutions in human society other than the civil government. The family, the church, the voluntary association, the profit-seeking business, and other local, decentralized structures all provide social order. Government is not simply civil government. *Self-government is far more crucial than civil government*.

Within society, the institution of the free market—private property rights, legitimate profits and losses, open entry to the market, and freely fluctuating prices—can provide a remarkable system of social cooperation. The impressive defense of the market as an agency of coordination of individual plans—notably, the defense produced by the Austrian School of economists—has to be accepted. But the process is not autonomous. There are constants that the consistent Darwinian cannot admit, such as the constancy of human nature, the constancy of biblical law, and the constancy of God's personal judgment. The intellectual defense of the market must be made in terms of the laws of cause and effect. Cause-and-effect relationships are the product of God's providence—His sustaining hand, in direct government, planning the secondary causes of men's actions, and judging men according to His law. The free market must not be defended by means of Darwinian logic.

This intellectual defense has proven ineffectual in thwarting the far more consistent arguments of those Darwinians who assert the necessity of gaining direct control, through centralized planning, of a supposedly random, meaningless, purposeless, directionless, and above all, *mindless* process of natural selection—a process that in no way guarantees the survival of humanity, let alone its prosperity. Such a random process of development cannot guarantee humanism's goal:

man's place in the universe as the source of cosmic personalism. The proper way to defend the validity of market processes is therefore not by means of the assertion of the sovereign autonomy of market forces, but by means of the opposite assertion: the non-autonomy of market processes, under God. Market processes require an ethical defense, not simply a pragmatic defense based on economic efficiency or the absolute sovereignty of individual men over their voluntary exchanges.[31]

Conclusion

The triumph of Darwinism cannot be understood without an awareness of the fundamental premise of Darwin: the absence of any cosmic purpose in the universe *prior to the evolution of man*. Darwinian evolution is the religion of modern humanism: the denial of cosmic purpose apart from mankind. The Darwinist maintains that all historical events apart from man and man's influence must be understood as products of impersonal forces: a combination of random chance and unbreakable natural law. There was no future-orientation in the development of the universe. Thus, Darwinism is at war with Christianity, for the Bible teaches that God is sovereign, that the universe was created by God, that its meaning and purpose are understood only in relation to God's decree, and that man is God's delegated covenantal agent on earth.

This is the second point of the biblical covenant: the doctrine of *hierarchy*. Man serves God, and the universe serves God through serving man. The cause-and-effect relationships in the original creation were future-oriented, earth-oriented, and man-oriented. God created the stars, sun, and moon for man. The earth is older than the heavens. This is what the Bible teaches, and it is an offense against anti-biblical religion.

31. See Appendix B, "The Evolutionists' Defense of the Market."

3

THE STEWARDSHIP PRINCIPLE

> *And God said, Let us make man in our image, after our likeness: and let them have dominion over the fish of the sea, and over the fowl of the air, and over the cattle, and over all the earth, and over every creeping thing that creepeth upon the earth.*
>
> GENESIS 1:26

The theocentric issue here is hierarchy, point two of the biblical covenant.[1] Man was created specifically as God's representative agent on earth. God established His dominion covenant with mankind in Genesis 1:26. This established a *cosmic hierarchy*: God > man > nature. *Every covenant is hierarchical*. This dominion covenant corresponds to point two of the biblical covenant model.[2] God established this covenant before the creation of Adam and Eve (v. 27). God therefore established this covenant *authoritatively and representatively*. He did not ask Adam for permission. He did not ask Adam if the terms of the covenant were satisfactory to him (vv. 27–28).

A. A System of Representation

Man cannot be properly understood apart from the two facts revealed by Genesis 1:26. *First*, man is made in God's image. He is therefore the capstone of all creation. Though for the present, he is made "a little lower than the angels" (Ps. 8:5) in terms of knowledge and power, man will ultimately judge the angels (I Cor. 6:3). The lawfulness of capital punishment (execution) is based on the fact that a murderer

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 2; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 2.

2. Sutton, ch. 2; North, ch. 2.

has struck out against this image of God (Gen. 9:6).[3] *Second*, mankind is to seek dominion over all the creation. Presumably, the fact of man as God's image-bearer gives him this right and responsibility of dominion. The two statements are placed together in Genesis 1:26. *It is man's position as God's image-bearer that is fundamental*, not the fact of his lawful dominion over nature.[4]

It is improper to elevate "man, the supervisor over nature" above "man, the image-bearer of God." This is the enormous heresy of numerous humanistic thinkers, including traditional magicians, Enlightenment philosophers, post-Darwinian scientists and social planners, and Marxists. *It is only because man is under God as God's imagebearer that he possesses limited sovereignty over nature*. On the other hand, it is also illegitimate to ignore or deny the dominion covenant when you accept the principle of man, the image-bearer. God has specified that the purpose of man is to honor God by exercising dominion as His image-bearer over the creation.

Genesis 1:26 reveals that God established the dominion covenant *representatively*: point two of the biblical covenant.[5] Genesis 1:27 reveals that Adam was created after God had established His covenant with mankind. We know from Genesis 2 that Eve was created only after Adam had completed his first assignment: naming the animals. So, Genesis 1:27 has to refer to God's declaration of the terms of the dominion covenant to Adam, who acted judicially as the representative of his not-yet-created wife, just as God had acted representatively for the not-yet-created Adam. *Adam and Eve then served as the representative judicial agents of their not-yet-born heirs*. This is why there is original sin. Paul wrote:

> Wherefore, as by one man sin entered into the world, and death by sin; and so death passed upon all men, for that all have sinned: For until the law sin was in the world: but sin is not imputed when there is no law. Nevertheless death reigned from Adam to Moses, even over them that had not sinned after the similitude of Adam's transgression, who is the figure of him that was to come (Rom. 5:12–14).

There is a chronological aspect of representation, just as there is a hierarchical aspect. God was *superior* to Adam and Eve, and He was also

3. A discussion of capital punishment is found in Gary North, *Authority and Dominion: An Economic Commentary on Exodus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1986] 2012), ch. 26.

4. Francis Nigel Lee, *The Origin and Destiny of Man* (Nutley, New Jersey: Presbyterian & Reformed, 1974), p. 41.

5. Sutton, *That You May Prosper*, ch. 2. North, *Unconditional Surrender*, ch. 2.

earlier than they were. He spoke judicially on behalf of Adam and Eve. Adam was superior to Eve, and he was also earlier than she was. He spoke judicially on behalf of God to Eve. This is why Eve knew that it was illegal for her to eat the forbidden fruit (Gen. 3:3). Adam had told her. Adam and Eve were superior to their children, and they were also earlier than they were. They acted judicially on behalf of their heirs. *That which was earlier in time was authoritative*. It was representative.

The law of the covenant was revealed to them after they had been granted life. "And God blessed them, and God said unto them, Be fruitful, and multiply, and replenish the earth, and subdue it: and have dominion over the fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth" (Gen. 1:28). Here is the pattern: *first life, then blessing*. Life is a gift from God. So is capital. "And God said, Behold, I have given you every herb bearing seed, which is upon the face of all the earth, and every tree, in the which is the fruit of a tree yielding seed; to you it shall be for meat" (Gen. 1:29). This leads to a conclusion: *grace precedes law*. It also leads to another conclusion: *there is no grace without law*. The law in question was the law of stewardship.

B. Stewards Under God

Stewardship is hierarchical. A steward manages the property of an owner. He owes an honest account of his stewardship. This relationship is one of *indebtedness*. The owner deserves a return on his investment.

God is the cosmic Owner because He is the Creator. He sustains the universe. Christian economics affirms Jesus Christ as the heir of God the Father. He is the heir because God delegated to Him the sovereignty over the acts of creation. The Apostle Paul identified the Son as the Creator.

> Giving thanks unto the Father, which hath made us meet to be partakers of the inheritance of the saints in light: Who hath delivered us from the power of darkness, and hath translated us into the kingdom of his dear Son: In whom we have redemption through his blood, even the forgiveness of sins: Who is the image of the invisible God, the firstborn of every creature: For by him were all things created, that are in heaven, and that are in earth, visible and invisible, whether they be thrones, or dominions, or principalities, or powers: all things were created by him, and for him: And he is before all things, and by him all things consist (Col. 1:12–17).

The Epistle to the Hebrews identified the incarnate Son as the Creator and the Sustainer.

> God, who at sundry times and in divers manners spake in time past unto the fathers by the prophets, Hath in these last days spoken unto us by his Son, whom he hath appointed heir of all things, by whom also he made the worlds; Who being the brightness of his glory, and the express image of his person, and upholding all things by the word of his power, when he had by himself purged our sins, sat down on the right hand of the Majesty on high; Being made so much better than the angels, as he hath by inheritance obtained a more excellent name than they (Heb. 1:1–4).

He who sits at the right hand of God is Jesus Christ. "If ye then be risen with Christ, seek those things which are above, where Christ sitteth on the right hand of God" (Col. 3:1). This identification of a second Person involved in the original creation goes back to the words of God: "And God said, Let us make man in our image, after our likeness (Gen. 1:26a).

C. A Positive Rate of Return

The owner expects a positive rate of return on his investment. The steward's task is to provide this. He does this by means of the *productivity of the assets* transferred to him by the owner. There is to be a *surplus* out of which the owner is paid. In the case of Adam, this initial asset base included Adam's mental abilities. God required him to name the animals of the garden as his first assignment (Gen. 2:19–20). This was an intellectual task: classification and assessment. It did not involve the use of physical assets.

Grace is commonly defined as an unearned and unmerited gift from God. Then was the creation of Adam an act of grace? If God required Adam to work as His representative agent, producing a positive rate of return for God, how can we legitimately speak of life as a gift? Only by affirming *service to God as a gift*. Adam was a servant. We could just as accurately call him a slave. He was not his own man. This is another way of saying that he was not autonomous. He was under God's authority in a covenant that didn't need his assent to be valid. Although God did not inform him of this, God required him to assent to this covenant sacramentally by eating from the tree of life. We know this because the tree of life will be in the midst of the final revelation of the New Heaven and the New Earth.

> In the midst of the street of it, and on either side of the river, was there the tree of life, which bare twelve manner of fruits, and yielded her fruit every month: and the leaves of the tree were for the healing of the nations (Rev. 22:2).

> Blessed are they that do his commandments, that they may have right to the tree of life, and may enter in through the gates into the city (Rev. 22:14).

By saying that Adam was not his own man, we affirm that God did not serve Adam. *There is an inescapable covenantal hierarchy, and man is not on top*. Neither is Satan. Neither is any aspect of the creation. So, Adam had to serve God. The creation also serves God by serving man.

God did not need Adam. There is no indication in the Bible that God is in any way dependent on His creation. He is transcendent over it. He created it out of nothing. He spoke it into existence. He sustains it providentially. There is nothing that He gets from mankind that He did not provide to mankind. The creation does not make Him more God than He was before the creation. The creation does not fill a void in God's being.[6]

This leads to one of the riddles of biblical theology. God blessed Adam. Yet Adam is to bless God. God needed nothing. He was glorious before the creation. Yet the creation testifies to God's majesty. Paul wrote: "For the invisible things of him from the creation of the world are clearly seen, being understood by the things that are made, even his eternal power and Godhead; so that they are without excuse: Because that, when they knew God, they glorified him not as God, neither were thankful; but became vain in their imaginations, and their foolish heart was darkened" (Rom. 1:20–21). He who was infinitely glorious before the creation receives honor in return. Where does this extra honor come from? Cornelius Van Til called this the *full-bucket paradox*. If a bucket is full, how can anyone pour in more water? Does the additional water add to the bucket's supply? No. Yet the water is poured in. This is one of the fundamental paradoxes of the Bible. Van Til went so far as to say this: "This point lies at the bottom of every paradox of antinomy."[7] What is the nature of this paradox? This: *history has meaning*. It adds something that was not there before. *Yet God is infinite*.

In terms of economic theory, we say that Adam was required to add value to the creation. Nevertheless, the creation was perfect. It had no flaws. God pronounced it good (Gen. 1:31).[8] How can anyone add value to perfection? This is the full-bucket paradox in economic theory.[9]

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6. The medieval mystic and heretic Meister Eckhart (1260–1327) argued that God needed man. Eckhart was a pantheist.

7. Cornelius Van Til, *The Defense of the Faith* (Nutley, New Jersey: P & R, [1955] 2008), p. 68.

8. Chapter 5.

9. The same antinomies are found in all areas of life. Consider cosmology. Modern big bang cosmology insists that the universe is expanding. Yet we also say that the uni-

Jesus' parable of the talents indicates that God will demand a final accounting of His servants, and that men are required to show a positive rate of return. They will receive their eternal rewards or punishments in terms of their net return in history (Matt 25:14–30).[10] Yet all of whatever people produce of benefit is the result of God's gifts. "Every good gift and every perfect gift is from above, and cometh down from the Father of lights, with whom is no variableness, neither shadow of turning" (James 1:17).[11] So, whatever man offers up to God has come down to him from God.

D. Grace and Law

Grace precedes law. Life and raw materials were gifts to Adam and Eve as individuals and as founders of humanity, so they are gifts also to us. As with Adam, we also come into this world in debt to God. We leave this world and enter the next in permanent debt to God. The Bible teaches that we remain in debt all of our lives . . . to infinity and beyond. We are required by God to increase our net worth, thereby increasing His net worth. Yet He owns everything. How does man increase the net worth of a God who owns everything? This is the full-bucket paradox as it applies to economics, both in theory and practice.

We are required by God to add value to His creation, just as Adam was required to dress the garden. We never can repay God. We remain unprofitable servants. "So likewise ye, when ye shall have done all those things which are commanded you, say, We are unprofitable servants: we have done that which was our duty to do" (Luke 17:10).[12]

Grace is not deserved. It also is not cost-free. Christianity rests on the concept of a *representative judicial atonement*. This atonement had a high price: the perfect life, undeserved death, bodily resurrection, and bodily ascension of Jesus Christ to the right hand of God in heaven.

Even before the Fall, grace was not free. There was a price to be paid: *stewardship*. Adam served God. God did not serve Adam. God

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verse is infinite. Best put, *Toy Story*'s Buzz Lightyear declares, "To infinity and beyond!" Buzz is a first-rate modern cosmologist.

10. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 47.

11. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 32.

12. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 41.

gave Adam raw materials, but these materials had a purpose: to enable Adam to exercise dominion representatively for God. God required Adam's service. He also imposed a *system of accounting*. God would evaluate Adam's performance. Adam's performance went deeply negative at the Fall. Added to the normal rate of return that God expected from His sin-free stewards was a payment for sin. That payment could be made only representatively by someone who possessed sufficient standing with God: His Son.

Grace is *free* in the sense of *undeserved by the recipient*. It was never free in the sense of cost-free. This is because Adam served God. God did not serve Adam. Adam answered to God. God did not answer to Adam.

At least one small American Presbyterian denomination has explicitly denied the post-Fall legitimacy of the dominion covenant (also referred to as the cultural mandate), thereby ignoring the explicit reconfirmation of this covenant by God with Noah (Gen. 9:1–2).[13] Prior to 1980, virtually all twentieth-century fundamentalism and pietism by implication and practice denied the existence of such a covenant. The idea that men are responsible, as faithful servants of God, to bring the whole world under the rule of God's law, is repulsive to the vast majority of professing Christians. Rushdoony accurately identified two philosophical justifications for this retreat from responsibility: manicheanism and neoplatonism. Manicheanism is the idea that the creation is somehow innately sinful, and that the attributes of the flesh, especially power, are evil.[14] Neoplatonism holds that "matter" is somehow inferior to "spirit," and thus unimportant.[15]

Conclusion

God made man in terms of a covenant: the dominion covenant. The third point of the biblical covenant is ethics: obedience to God as the means of man's dominion over the earth. *Ethics and dominion are inescapably related in the biblical covenant structure*.

Because man rebelled against God, his dominion assignment has become more twisted. Man apart from God is a rebel, a murderer, a

13. I refer to the Bible Presbyterian Church. Cf. R. J. Rushdoony, *Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), pp. 723–24.

14. R. J. Rushdoony, *Politics of Guilt and Pity* (Vallecito, California: Ross House Books, [1970] 1995), p. 175. Cf. Rushdoony, *Thy Kingdom Come: Studies in Daniel and Revelation* (Vallecito, California: Ross House Books, [1968] 2001), pp. 134, 250.

15. R. J. Rushdoony, *The Flight from Humanity: A Study of the Effect of Neoplatonism on Christianity* (Vallecito, California: Chalcedon, [1973] 2008).

destroyer. Only God's grace can begin to restore mankind to obedience to God. God's grace is therefore the basis of mankind's dominion and power.[16]

Mankind cannot escape the dominion covenant. He can pervert it, fight it, and publicly abandon it, but he cannot escape it. Man is defined in terms of it in history. Only in hell and the lake of fire does man's ability to fulfill it disappear—a sense of eternal loss for covenant-breakers. People are either under God ethically, or else under the creation, Satan, other men, or the supposedly impersonal forces of nature. *Those who are passive toward God can exercise long-term dominion over nature*. Those who are active rebels against God become the slaves of nature. But there is no escape from the terms of the dominion covenant.

16. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987).

4

GRACE PRECEDES LAW, BUT INCLUDES LAW

So God created man in his own image, in the image of God created he him; male and female created he them. And God blessed them, and God said unto them, Be fruitful, and multiply, and replenish the earth, and subdue it: and have dominion over the fish of the sea, and over the fowl of the air, and over every living thing that moveth upon the earth.

GENESIS 1:27–28

The theocentric principle here is God as the Law-giver. This corresponds to point three of the biblical covenant: ethics/law.[1] Man is made in God's image. He is under God in the same way that a field grade officer is under his commanding general. He is to abide by his Commander's instructions, and he is to "do it by the book," which in this case is the law-order revealed to man verbally and through the creation ordinances.

God gave Adam an assignment: to subdue the earth. This is the positive injunction of the dominion covenant. *Every biblical covenant has at least one positive injunction*.[2] There was a ritual manifestation of this law in the dominion covenant: eating from the tree of life. *Every covenant also has at least one negative injunction*.[3] In this case, it was avoiding a specific tree. That tree was off-limits. There was a legal

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 3; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 3.

2. Personal covenant: believe in the redemptive work of Christ. Marriage covenant: be fruitful and multiply. Church covenant: disciple the nations. Civil covenant: enforce justice.

3. Individual covenant: do not blaspheme the Holy Ghost (Matt. 12:31). Marriage covenant: do not commit adultery. Church covenant: do not preach a false gospel (Gal. 1:6–7). Civil covenant: do not accept bribes.

boundary around it. There was a fearful negative sanction attached to it: death. Adam could not serve as a faithful steward if he violated this boundary. By violating it, he would ritually declare his independence from God. He would renounce his stewardship for God. *The tree of the knowledge of good and evil was a representative manifestation of God's original ownership*.

The first chapter of Genesis proclaims the absolute sovereignty of God the Creator. As the Creator, God must be honored by all the creation, for He is Lord over all (Isa. 45:23; Phil. 2:10). For man to honor God, he must have respect for God's law-order. Man was created specifically as God's representative on earth. Man is made in God's image. He is under God in the same way that a military man is under his commanding officer.

A. Subduing the Earth

Christianity is a religion of *self-conscious activity*. This is true because it is a religion demanding *ethical passivity*. With respect to God, the source of all ethical standards, man is to be wholly passive. The sin of Adam and Eve was their attempt to become ethically determinative. They sought a zone of pure autonomy, where they could test the word of God. They accepted the devil's idea that they might not surely die on the day they ate of the forbidden fruit. They had been assigned a passive role in relation to God; they were to think His thoughts after Him, in a creaturely fashion. Then they were to extend God's authority over all the earth. *Passivity before God* was to lead directly to *active dominion*. They were assigned the task of subduing the earth.

God assigned a task to the first humans. They were to subdue the earth, an indication that the natural world, while unquestionably good in itself (Gen. 1:10, 12, 18, 21, 25), is incomplete. It requires active administration. The natural world was not to be considered normative even before the curse of the ground (Gen. 3:17–19).[4] God's law is normative, and man, as the image-bearer of God, is to exercise dominion in terms of God's law.

This is not to say that there is no such thing as natural law. *There is a fundamental orderliness to the processes of the universe*. The sun, moon, and stars possess a regularity that serves the purposes of man and, in a subordinate fashion, the living creatures of the earth (Gen. 1:14–18).[5] The animals reproduce according to the laws imposed by God (Gen.

4. Chapter 12.
5. Chapter 2.

1:21, 24–25). *Natural law can never mean autonomous law*. It can never mean law that is a product of an autonomously existing natural order (or disorder). All "laws of nature" (regularities) are inescapably personalistic. This is simply one application of the doctrine of cosmic personalism.

Adam was to honor the created laws of God that governed the natural realm. He was also to respect the laws revealed directly to him by God, or perceived by Adam because of his position as God's imagebearer. The point is this: *his knowledge of God's law was his tool of dominion*. As a creature, he was under law, but as God's image-bearer, he was able to use his knowledge of law to become *subordinately active* under God and subdue the earth.

There is no question that rebellious man, who has asserted his independence from God as a self-proclaimed active and autonomous agent, has frequently become a destroyer. Nature has suffered at his hands. Unrestrained by biblical law or a sense of responsibility, rebellious men have subdued the earth for their own glory and profit, and the result has been the disruption of the earth. We are told, for example, that the reason why the Israelites had to be carried off into captivity for 70 years was that they had refused to honor the law of God by giving the land its sabbath rest every seventh year. In their absence for seven decades, the land would have its lawful rest (II Chron. 36:21; Jer. 50:34). This rest allowed the land's natural restorative processes to replenish its fertility. Nevertheless, the land was not to be wholly free from man's dominion. The leaders and mighty men of valor, the craftsmen and smiths—in short, those worth carrying off—were forced out of the land. "None remained," the Bible says, "save the poorest sort of the people of the land" (II Kings 24:14b). Those who could barely exercise dominion stayed; the land was not deserted entirely. Only in the rare case of the total and irreversible judgment of God against a city was the land to be left to the rule of nature (Jer. 50:39). This was understood as the ultimate social curse.

Yet there is another possibility for rebellious man: an attempted retreat from the responsibilities of ecological dominion. The idea of ecological romantics, Eastern mystics, and numerous primitive cultures is that man must live "in harmony with nature." Man must conform himself to the laws of nature. Of course, it is difficult to determine which laws apply in specific instances, but the idea of the overall sovereignty or normativity of the natural order is paramount in these cosmological systems. Man is nothing more than one small part of

an autonomous natural process, but a force for evil when he allows his powers to take control of nature. Rather than seeing man as the agent of dominion over nature, these systems place man under the dominion of nature. Rebellious man, in short, *actively defied God* by abandoning his responsibilities under the dominion covenant, and, in doing so, he eventually becomes essentially *passive before nature* or *passive before the state*.

The Christian acknowledges that man has become a rebellious destroyer. We know that the whole creation groans to be delivered from "the bondage of corruption" (Rom. 8:21).[6] The earth is under a curse because of man. But Christians are "saved by hope" (Rom. 8:24), a hope in God's redemption, not in hope of some hypothetical return to a natural paradise. Man is indeed a destroyer, an ethical rebel who seeks release from the comprehensive requirements of God's law-order. Nevertheless, "man the destroyer" is not the result of "man the controller," he is the product of "man the ethical rebel." It is not man's dominion over the earth that is illegitimate, but rather man's attempt to dominate the earth apart from God's control over man. *The only foundation of man's right to dominion is his conformity to the requirements of God*. Captains who rebel against generals can expect their corporals to be insubordinate. Our polluted regions of the earth are rebelling against man's rebellious, lawless rulership, not against rulership as such.

In a widely quoted and reprinted 1967 essay, "The Historical Roots of Our Ecological Crises," medieval historian Lynn White, Jr., argued that the Christian concept of man's dominion over nature brought the pollution crisis to the West. White's remarkable familiarity with the history of medieval technology in the West restrained him to the extent that he had to admit that certain key advances in technology were due primarily to differing environmental and geographical circumstances. But his underlying view was the heart of the essay's popularity with the ecological romantics of the 1960s and 1970s: "By destroying pagan animism, Christianity made it possible to exploit nature in a mood of indifference to the feelings of natural objects."[7] The fact that paganism, even in its radically animistic forms, can result in societies that pollute the earth, was not mentioned by White. His conclusion: "Hence we shall continue to have a worsening eco-

6. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 5.

7. Lynn T. White, Jr., "The Historical Roots of Our Ecologic Crisis," *Science* (10 March 1967), p. 1205.

logic crisis until we reject the Christian axiom that nature has no reason for existence save to serve man."[8] On the contrary, the Christian axiom is rather that all creation is to serve God, the Creator. Yet he admitted that it was primarily in the mid-nineteenth century that the fusion of science (theory) and technology (practice) finally created the industrial society that is now polluting and destroying nature. In short, this process can be dated from the period in which Darwinian speculation, radical atheism, and unbounded confidence in the autonomous forces of secular progress came into ascendancy in Western Europe and, a generation later, in the United States.

A fine but neglected answer to White appeared in the conservative magazine, *National Review* in late 1974. The author, R. V. Young, Jr., dissected his arguments, showing how it was not Christianity but the materialists who were the designers and engineers of the modern industrial system. His conclusion is significant.

> In every instance the pattern is the same: secularization leads to the apotheosis of material "progress," and old traditions of piety and reverence—the sense of man's limitations and obligations—crumble. In Christianity, as in most religions of the world, pride—the attempt to transcend the conditions of mortal life and become as a god—is the fundamental sin, and the corresponding virtue is humility. What is usually called the "environmental" or ecologic crisis is really only one aspect of the pervasive moral and cultural crisis of our time, and the cause of this crisis is pride. For too long we have believed that no bounds need be placed on human ambition and desire, but now it has been discovered that even scientific technology, the instrument of modern man's intended self-deification, must bow to the finitude of reality.[9]

In short, it is the arrogance of autonomous man, who has inherited the products of a Christian vision of dominion through adherence to law, but who no longer acknowledges the sovereignty of the God who establishes the law-order which transfers power to man, that has created the pollution crisis. It was not the fault of Christianity, which always regarded the earth as capital wealth entrusted to man as something to be treated with deference. Man is a steward in the Christian view, not an owner of the earth (Ps. 24:1).[10] The secularists denied God and transferred God's sovereignty to man. "Man the steward"

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8. *Ibid.*, p. 1207.

9. R. V. Young, Jr., "Christianity and Ecology," *National Review* (Dec. 20, 1974), p. 1479.

10. Gary North, *Confidence and Dominion: An Economic Commentary on Psalms* (Dallas, Georgia: Point Five Press, 2012), ch. 6.

became "man the autonomous owner," and modern ecological devastation began in earnest.

Man is to subdue the earth, not destroy it. Man is to replenish it, care for it, use it to God's glory. This permits him to benefit from the fruits of the land, for he is made in God's image. When man tries to appropriate the fruits of the earth apart from the restraining law of God, then he can expect results that are costly to him. *We live in a universe of personalistic law, and the moral law of God is more fundamental than the natural regularities of the created realm.* Moral law is primary, and God has built into His world a kind of "negative feedback." When men consistently and systematically violate the moral law of God in a certain area of life, external events—seemingly unrelated to the moral realm—begin to place restraints on the rebels.

The best example in Scripture is the tree of the knowledge of good and evil. Men rebelled against God through their father, Adam (Rom. 5). Adam ate of the tree. The whole creation was cursed as a result. God's word predicted the penalty of death, but the serpent implied that God's word could not be trusted. How could any "neutral" scientist have predicted any cause-and-effect relationship between the eating of a particular fruit and the cursing of the universe? But that supernaturally controlled cause-and-effect relationship was there. Ours is a universe of cosmic personalism. God respects His word more than He respects the external regularities of the creation (II Peter 3:4–7).

Because of this, *man's fundamental tool of dominion is the moral law of God.* Secondarily, natural law—nature's external regularities—can be discovered by man, and serves as a tool of dominion—a dominion assignment that is subordinate to the moral law. Without the tool of God's moral law, which restrains man (for he is a creature under law), his power-granting knowledge of natural law makes him a destroyer. He is granted his knowledge of the external world because he is made in the image of God, and because he is under the terms of God's dominion covenant. He is required by God to use his knowledge of nature's external regularities to subdue the earth, not to destroy it. Without the restraining effects of moral law, man becomes suicidal. "All they that hate me love death" (Prov. 8:36b). The earth and its man-serving resources are ravaged by self-proclaimed autonomous man. The intellectual inheritance of the *idea of progress* and *natural law as a tool of dominion*—both of which are explicitly and uniquely biblical ideas—becomes a loaded gun, or something worse, in the hands of rebellious man.

B. The Inescapable Covenant

We should understand that this covenant is not simply ethical in its form. The command to exercise dominion is not simply a "take it or leave it" variety of command. The covenant is announced to man in the 28th verse, but in verse 26, God's own self-counsel establishes dominion as the very function of human nature. Man *must* exercise dominion. It is part of his nature to do so. The suppression of this aspect of human personality is part of an overall attempt to suppress the image of God. It is an act of ethical rebellion. Ultimately, suicide is the only means of escape from this covenant. Man must exercise dominion as he goes about his daily tasks. Even the hermit, who is not part of the economy's division of labor—the ultimate social means of dominion used by man—must plant, or hunt, or search for berries. He displaces other life. The animals fear him and give him deference, a feature of life that was part of God's reaffirmation of the renewed dominion covenant with Noah (Gen. 9:2). *For man to live is to exercise dominion*. Only in hell, or afterward, in the lake of fire, can man at last escape the responsibilities of the dominion covenant. He can never escape their consequences.

Sin, however, is not limited to the attempted rejections of the dominion covenant. It is also very much in evidence in the attempts of self-proclaimed autonomous men to exercise humanistic dominion apart from God or God's law-order. As Rushdoony commented: "As a result of the fall, however, man's urge to dominion is now a perverted one, no longer an exercise of power under God and to His glory, but a desire to be God. This was precisely the temptation of Satan, that every man should be his own god, deciding for himself what constitutes right and wrong (Gen. 3:5). The ultimacy of man in both law and power was asserted."[11]

C. The Twentieth Century

The twentieth century was the most thoroughly secularized and humanistic one in the history of the post-Roman Empire West. It was also the century of totalitarian tyranny and total warfare, where over 100 million people had violently perished by 1970.[12]

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11. R. J. Rushdoony, *Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), p. 448.

12. Gil Elliot, *Twentieth Century Book of the Dead* (New York: Charles Scribner's Sons, 1972), p. 1. Elliot's figures vastly underestimate the murders by Communist China, 1948–70: two million as opposed to as many as 60 million. Also, he did not count

Fundamentalists in the twentieth century repeatedly accused dominion-oriented Christians of being in the same camp as the theological and political liberals. The so-called Social Gospel movement, which arose in the late nineteenth century, was strongly in favor of social action, economic redistribution, and the elevation of the powers of the civil government, especially the national government. Social action, meaning political action, was subsequently equated by fundamentalists with the Social Gospel movement. Historically, the argument is inaccurate; if anything, the liberal theologians of, say, 1870–1970, were *imitating* an older tradition of theological orthodoxy, especially the tradition of early New England Puritanism and early nineteenth-century Presbyterianism, both northern and southern.[13] The Social Gospel was a secularized reconstruction of the optimistic, activist, decentralist, conservative Protestant tradition in the United States. The defenders of the Social Gospel, in effect if not in theory, removed the sovereignty of God and the validity of God's revealed law-order, and then substituted a new god, the state, with its relativistic law-order.

The twentieth century witnessed the steady erosion of social and cultural confidence among both American fundamentalists and Western liberal theologians. The First World War transformed liberal theology. Optimism began to go out of the movement.[14] It revived again

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abortions, which by the late 1970s were running in the 35 to 55 million range, per year, world-wide. As Elliot said, "To set such a figure [100 million man-made deaths] against a scale of violence in previous times involves the difficulties of comparing like periods and of allowing for population increase. However, every attempt to do so shows the twentieth century to be incomparably the more violent period" (p. 1). His estimate of 100 million was too low. At least that many died under Communism: see Stephane Courtois (ed.), *The Black Book of Communism: Crimes, Terror, Repression* (Cambridge, Massachusetts: Harvard University Press, [1997] 1999).

13. On the optimism of pre-Civil War Southern Presbyterians, see Jack P. Maddex, "From Theocracy to Spirituality: The Southern Presbyterian Reversal on Church and State," *Journal of Presbyterian History*, LIV (1976), pp. 438–57. See also James B. Jordan, "A Survey of Southern Presbyterian Millennial Views Before 1930," *Journal of Christian Reconstruction*, III (Winter 1976–77), pp. 106–21. In the North, the faculty of Princeton Theological Seminary, the most influential of the orthodox Presbyterian seminaries, was noted for its postmillennial optimism: Archibald Alexander, A. A. Hodge, Charles Hodge, and Benjamin B. Warfield.

14. A classic statement of the pessimism of the theological liberals is Walter Marshall Horton, *Realistic Theology* (New York: Harper & Bros., 1934). An extract of this book appears in William R. Hutchison (ed.), *American Protestant Thought: The Liberal Era* (New York: Harper Torchbook, 1968), pp. 190–96. Reinhold Niebuhr is the archetype of the shift from optimism to pessimism, and he is the focus of the book by Donald Meyer, *The Protestant Search for Political Realism, 1919–1941* (Westport, Connecticut: Greenwood, [1960] 1973). [I took his course in American social history in 1962.] See

during the Second World War, flickered on through the brief tenure (1961–63) of President John F. Kennedy, and then steadily died out during the late 1960s and early 1970s.

Kennedy's assassination in November 1963 had a great deal to do with this, for he had been a symbol. Around the world, he had been perceived as the representative of can-do moderate political liberalism. His successor, Lyndon Johnson, was the very incarnation of political liberalism, but he left the office in 1969 a political failure because of his escalation of Kennedy's legacy—no bigger than a man's hand—of the Vietnam War. A growing number of liberal theologians came to accept Protestant fundamentalism's pessimism concerning the possibility of successful efforts to reconstruct society in terms of Christian presuppositions. Rushdoony was correct when he stated, "Liberals, neo-orthodox, existentialists and others have renounced the idea of power as an illusion or a temptation, and the possession of power as an evil. The result has been to accentuate the drift to totalitarian power."[15] Pessimism undermines resistance to power and evil.

Power renounced is not power diminished; it is merely power transferred. What is needed to resist centralized political power—the kingdom of man incarnate—is a reassertion of the total sovereignty of God. Then, as a direct consequence, power must be redistributed widely, away from central governments and into the hands of local political bodies, churches, voluntary institutions of all kinds. The Bible affirms the legitimacy of power. It places all power in the hands of Jesus Christ: (Matt. 28:18). Then it directs Christians to go forth, preaching the gospel and discipling nations, teaching them to observe "all things whatsoever" Christ has commanded (Matt. 28:20).[16] "All things," as Greg Bahnsen's study, *Theonomy in Christian Ethics* (1977), demonstrates forcefully, includes the whole of biblical law.[17] What we call the Great Commission of Christ to His church (Matt. 28:18–20)[18] is a reaffirmation of the dominion covenant, taking into account the progress of redemptive history.

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also Robert T. Handy, "American Religious Depression, 1925–1935," *Church History*, XXIX (1960), pp. 3–16.

15. Rushdoony, *Institutes of Biblical Law*, p. 448.

16. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 48.

17. Greg L. Bahnsen, *Theonomy in Christian Ethics*, 2nd ed. (Phillipsburg, New Jersey: Craig Press, 1984), p. 448.

18. Kenneth L. Gentry, *The Greatness of the Great Commission: The Christian Enterprise in a Fallen World* (Tyler, Texas: Institute for Christian Economics, 1990).

Conclusion

Adam entered this world in debt to God. God had provided him with raw materials and a mind that was able to understand the regularities of nature. Adam was the recipient of God's grace. This was not lawless grace. Adam was under a covenant that demanded performance. He was to subdue the earth.

The idea that an individual is autonomous is preposterous. Every person is under the dominion covenant. Every person is the genetic heir of his parents. Every person is the recipient of benefits from the social institutions that sustain life. There is no benefit received apart from final judgment. Every person will give an account of his life. Grace precedes law, but it is never without law.

5

ECONOMIC VALUE: OBJECTIVE AND SUBJECTIVE

And God saw everything that he had made, and behold, it was very good. And the evening and the morning were the sixth day.

GENESIS 1:31

The theocentric principle here is God as the cosmic Judge. This corresponds to point four of the biblical covenant: judgment.[1]

The first chapter of Genesis repeats the phrase "and God saw that it was good" five times (vv. 10, 12, 18, 21, 25), in addition to the final summation in verse 31. God's creative acts were evaluated by God and found to be good. They reflected His own goodness and the absolute correspondence between His plan, His standards of judgment, His fiat word, and the results of His word: the creation. *The creation was good because it was the product of God's sovereign plan*. God therefore imputed positive value to His creation, for He created it perfect. It was completely in conformity to His decree. *The doctrine of imputation lies at the heart of the doctrine of creation*. The creation was good because God created it good and because God said it was good. It was good *objectively*, because of its inherent conformity to God's decree. It was good *subjectively*, because God announced its perfection, indicating its conformity to His standards. *The Creator is also the Imputer.* God's original subjective standards—meaning personal, not relative—served as the sole standard of the creation itself. Once created, God—the infallible, subjective Evaluator—announced that in no way did the creation deviate from His standards.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

Prior to his ethical rebellion, man was consistently able to think God's thoughts after Him in a creaturely, human fashion. Man had language from the beginning. He had the power to relate mental constructs to the external realm of creation. He was assigned the task of naming (classifying) the animals (Gen. 2:19) and dressing the garden (Gen. 2:15), indicating his ability to fulfill God's requirement that he establish dominion over the creation. In both tasks, human judgment was crucial. This judgment was to be in conformity to the standards set forth by God, both verbally (Luke 4:4)[2] and indirectly through the creation itself (Rom. 1:19). In short, man had the power of evaluating or *imputing value* to aspects of the creation, because he had been created in the image of God. He had the power to impute value accurately because he was not yet in rebellion against the standards of God. He was assigned the task of exercising dominion over the earth according to God's command and in terms of God's law. This meant that man must *use judgment* in designing plans of action. He must *act purposefully* in terms of God's standards.

A. The Great Debate

The problem of value is central to the science of economics. Is value determined objectively or subjectively? Is the value of some scarce economic resource inherent in that resource, or is it derived from the evaluations of acting men? In short, *is value intrinsic or imputed*? This debate has raged within the economics profession for several centuries.

It is generally regarded as the essence of the "marginalist" intellectual revolution of the early 1870s that value must be understood as strictly subjectively determined. Acting men impute value to scarce economic resources that have no inherent or intrinsic value. All value is subjective; no value is objective, meaning intrinsic. F. A. Hayek argued that "it is probably no exaggeration to say that every important advance in economic theory during the last hundred years was a further step in the consistent application of subjectivism."[3]

Classical economics began with Adam Smith's *Wealth of Nations* in 1776 and extended to the work of John Stuart Mill, just prior to simultaneous and independent discoveries of "marginalism" by Jevons

2. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 3.

3. F. A. Hayek, *The Counter-Revolution of Science: Studies on the Abuse of Reason* (New York: Free Press of Glencoe, [1952] 1955), p. 31. Reprinted by Liberty Press, 1979.

(England), Menger (Austria), and Walras (Switzerland) in the early 1870s. Classical economics defended competing explanations concerning the source of all value. Smith held both the labor theory of value and a cost-of-production theory of price. He also believed that supply and demand determine prices, and that the "natural price" of any scarce resource is based on the labor that it takes to make it, or the cost of all resource inputs. The competition of supply and demand will produce a price which fluctuates around the "natural price." The labor theory of value and the cost-of-production theory of price are incompatible. This is explained in most of the standard histories of economic thought. Gide and Rist put it bluntly: "They remain juxtaposed in the *Wealth of Nations* because he never made up his mind which to adopt. As a result his work is full of contradictions which it would be futile to try to reconcile."[4] How supply and demand are related either to the labor theory or cost-of-production theory was also impossible to demonstrate. Almost a century later, Karl Marx and John Stuart Mill brought the classical period to a close; neither of them was able to reconcile the formation of prices on a market with either the labor theory of value or a cost-of-production theory.[5]

The heart of the debate over intrinsic (fixed) value can be seen in the problem that bothered all of the classical economists, the so-called *diamond-water paradox*. Why is it that something so essential to life, water, is so cheap, while diamonds, things merely ornamental, are so very expensive? If intrinsic value has any meaning, shouldn't water be more valuable than diamonds? Furthermore, why do the prices of diamonds change? How do diamonds conform to the labor theory of value? If human effort is the source of all value, why is it that a diamond, which is discovered accidentally, is so valuable? Smith, in his lectures of 1762–63, noted the problem and answered by means of the logic of supply and demand: "It is only an account of the plenty of water that it is so cheap as to be got for the lifting; and on account of the scarcity of diamonds (for their real use seems not yet to be discovered) that they are so dear."[6] Smith did not include these lines in

4. Charles Gide and Charles Rist, *A History of Economic Doctrines* (Boston: D. C. Heath & Co. 1948), p. 95.

5. For the classic critique of Marx's economics, see Eugen von Böhm-Bawerk, "The Unresolved Contradiction in the Marxian Economic System" (1896), in *The Shorter Classics of Böhm-Bawerk* (South Holland, Illinois: Libertarian Press, 1962). This is a modern version of the book, *Karl Marx and the Close of His System*. See also my section in Gary North, *Marx's Religion of Revolution: Regeneration Through Chaos* (Tyler, Texas: Institute for Christian Economics, [1968] 1989), ch. 5.

6. Cited by H. M. Robertson and W. L. Taylor, "Adam Smith's Approach to the Theo-

the *Wealth of Nations*; instead, he turned to other explanations of price which misled economists for a century.

The marginalists, or subjectivists, had an answer to this age-old problem. The question is not the *total utility* of "water in general" versus "diamonds in general." The question is rather what a given quantity of water will exchange for on the open market versus one diamond. What we find is this: men do not trade indeterminate aggregates. They trade discrete units or quantities. If a particular quantity of water is interchangeable with an equal quantity of water anywhere else in an economy, and the same is true of diamonds, then the "last drop" of water will be worth just slightly—"marginally"—less than the "next to the last drop." Similarly, the last diamond will be worth only slightly less than the next to the last diamond. But since there are so few diamonds available and such a strong demand for them, that last diamond—the one being exchanged in any given transaction—will command considerable quantities of other scarce resources. On the other hand, that final unit of water, given the huge quantities of water available for sale, will not command a high price. Thus, it is the value of the *marginal unit*—the one given up by the seller and bought by the buyer—that determines the exchange value of all other similar units being offered for sale in the market. It is not "general value" that determines the price of a specific unit of any commodity or service, but the *marginal* value of the *least* valuable unit offered for sale.

It should also be noted that a glass of fresh water on Lake Michigan (or an unpolluted fresh-water lake) will not command a high price, while a glass of water in the desert may. The transportation costs of getting fresh water to a man in a desert are high. He must bid a high price to induce someone to make the effort. We must not speak of "water in general." Supply and demand explain market prices; they determine what people will actually pay for a particular resource. An abundant resource will result in low prices for each specific unit of that resource, since the *final use* (least heavily demanded use) which will be served by that resource will be *well down on the scale of men's values*. The higher uses (more strongly demanded uses) will already have been served by other available units of the resource in question. Therefore, the price of every unit offered for sale can be no higher than the highest price offered for the final unit.[7] When you buy an

ry of Value," *Economic Journal*, LXVII (1957); reprinted in Joseph J. Spengler and William R. Allen (eds.), *Essays in Economic Thought* (Chicago: Rand McNally, 1960), p. 292.

7. This assumes that buyers have knowledge of all the sellers' prices, which is not

alarm clock at the supermarket, you will find that each one costs $6.98, or whatever. They are interchangeable, and if one unit were to cost $17.50, while another was selling for $6.98, no one would spend $17.50 to get an identical clock (assuming everyone really believes the clocks are identical). The value of the *final* good, or *marginal* good, determines the value of each of them being offered for sale (disregarding transportation costs and information costs).

This explanation of market pricing created an intellectual revolution in the field of economics. The late nineteenth century saw the advent of this explanation and its triumph among academic economists by 1900. Menger, Jevons, and Walras buried the arguments for intrinsic value as the basis of market value. As one observer has put it: "If people value it, it has value; if people don't value it, it doesn't have value; and there is no 'intrinsic' about it."[8] Value is therefore *imputed by acting men. This act of imputation is the foundation of the subjective theory of value.*

Men wish to achieve their goals with the minimum expenditure of scarce resources possible. They prefer giving up less to buy a good than giving up more. They want to buy cheap and sell dear. This goal has led to the development of the free market. The market permits people to *impute their own personal value* to a multitude of scarce resources, depending upon their knowledge, goals, and available resources. The market enables them to make judgments through *a system of competitive bidding*. Men compete for specific quantities of specific goods and services. They offer specific prices. This competition leads to the establishment of market prices for specific units of scarce resources. The market price of a resource is therefore the product of a multitude of subjective imputations of value; it is established through competitive bidding. Market prices are therefore the products of a *grand auction process*, in which buyers and potential buyers compete against each other for specific quantities of a particular resource, while sellers compete against potential sellers in order to sell to the highest bidding buyers. *A market price is therefore an objective result of competitive subjective valuations.*

Let us consider an example that illustrates some of the implications of this view. We might call it the *Bible-pornography paradox*. The Bible

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a realistic assumption, but which comes close to the operations of a mass-production economy in which advertising and other forms of price information are available.

8. The statement was made in a speech I heard in 1967. It was delivered by the then-Member of Parliament, Enoch Powell.

is the very word of God and infinitely precious to mankind. Yet, in a perverse culture, it is quite likely that a capitalist could earn far more income by selling pornographic literature than by selling Bibles. The market does not evaluate the Bible in general versus pornography in general. The market only informs us about the comparative price of a specific Bible and a specific pornographic item. Furthermore, the culture may be made up of rebellious people who are determined to work out their own damnations without fear or trembling. They impute value to pornographic materials, and little or no value to Bibles. The market will reflect this phenomenon in an objective manner. It will reflect it in the profit-and-loss statements of publishers. Those who meet market demand will prosper, while those who do not meet it will falter or go bankrupt. The profits and losses will be a result of the subjective valuations of acting men, who make decisions in terms of their values. Christian literature must be subsidized, while pornography produces income.

The humanistic, relativistic economist looks at these facts and can conclude that in a specific market, pornography is more valuable at the margin than Bibles are. He says that he is making no ethical value judgment when he says this; he is only reporting the objective results of multiple subjective valuations on the market. But, because he allows no concept of objective value to enter his economic analysis—not consciously, at least—he is unable to take a stand against the market except by means of stating his *personal opinion* that Bibles are better than pornographic materials. However, the market supposedly must be left alone to have its way, since one man's opinion must not be allowed to thwart the operations of the market process. His relativism leads to an objective result: the spread of pornography through price competition, thereby lowering the costs of achieving damnation and cultural disintegration.

The biblical explanation is different. The Bible affirms that men do have the power to impute economic value. It also affirms that there are absolute, objective standards of value. In fact, it is because of these standards that all coherence in the universe can be said to exist. The creation reflects these standards, revealing the God who created all things (Rom. 1:19). The Bible reveals these standards verbally. Therefore, *all human imputation goes on within a framework of God's absolute, objective standards*. God imputes good and evil in terms of His own standards, and this imputation provides the only reliable standard of evaluation. The facts are what God determines and imputes,

not what the market determines and imputes, or some socialist planning board determines and imputes. The accuracy of each man's individual act of imputation stands or falls in terms of its correspondence to God's act of imputation. We live in a universe of cosmic personalism.[9]

B. Economic Value: Objective and Subjective

What we must say is this: *a* Bible has no intrinsic (fixed) market value, but *the* Bible has intrinsic (ultimate) value. Everything has intrinsic value or intrinsic evil or some mixture, depending upon God's sovereign act of imputation in terms of His absolute standards and His plan for history. But the free market need not reflect this intrinsic value or intrinsic evil. *The free market is the arena of competing human imputations*, an arena in which men work out their salvation or damnation (Phil. 2:12).[10] The fact that an economist, as a self-proclaimed neutral scientist, denies that there can be such a thing as intrinsic economic value, means only that he is using the free market as the sole source of explanation. There is no intrinsic value concept in contemporary non-Marxist economic thought, because prices change, men's evaluations change, and no hypothesis of God has any scientific meaning for the humanistic economist. As Ludwig von Mises once put it: "We may leave aside the genuine dogmas such as Creation, Incarnation, the Trinity, as they have no direct bearing on the problems of interhuman relations."[11]

It would seem, then, that modern economics, by focusing exclusively on pragmatic goals and thus proximate utility, has erased all traces of the pre-modern idea of intrinsic value or objective value. Yet this is wholly a delusion. In terms of the actual practice of economists, objective value theory has never been stronger. The reason for this is the increasing reliance of economists on *statistical aggregates*, both for the purposes of economic forecasting and planning and for the purposes of formulating theory itself. Macroeconomics, econometrics, and modern input-output analysis rely heavily on the premise that *economic value and statistical aggregates are intertwined*. In other words, when we say that "the economy" has "grown" at three percent

9. Chapter 1.

10. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 20.

11. Ludwig von Mises, *Theory and History: An Interpretation. of Social and Economic Evolution* (Auburn, Alabama: Mises Institute, 1985), p. 46. The book was first published by Yale University Press in 1957.

per annum for several years, we think we are saying something significant about human welfare, meaning individual well-being. We think we are saying something more than the mere cataloguing of numbers. We think, in other words, that *subjective valuation and objective historical-statistical data are linked*. We think we have somehow captured subjective value in statistical aggregates. But if we cling fervently to the theory of subjective value, we will have to give up completely the idea that economic statistics are in any real sense meaningful indicators of the human condition. In other words, the old doctrine of objective value theory is being smuggled into the world of modern economic thought through the back door of statistical aggregation.

C. The Failure of Utilitarian Economics

Let us consider for a moment the famous "law of diminishing utility." In the post-classical form, the economists have argued along the following lines. As an individual receives more and more units of monetary income (other things being equal, such as the purchasing power of the monetary unit), he allocates the additional money to uses that are progressively lower on his value scale (scale of priorities). He may buy food with his first dollar, shelter with his second dollar, clothing with his third, entertainment with his fourth, and so on. Each new dollar is less valuable to him than the previous one, for he has already satisfied his more crucial needs. So far, so good. But a group of English economists, generally called welfare economists, began around 1900 to use this economic law in a unique way. They argued that because each additional dollar (or pound sterling) in a rich man's income is worth less to him than an additional dollar in a poor man's income, the civil government can increase total social utility by taking the rich man's dollar and giving it to the poor man, assuming basic productivity is not reduced because of this transfer. The rich man puts little value on his final dollar, while the poor man puts great value on his, since he has so few. With the new program of wealth redistribution, these welfare economists concluded, the growth of total social welfare has been increased.

The conceptual problem in welfare economics is related to the familiar problem faced by philosophers: the human pin cushion. Perhaps some sadist enjoys sticking pins into people. He receives exquisite pleasure from seeing people jump in response to the pin-sticking. In most instances, those who have been stuck with the pins resent it. The experience is painful. Question: Does the pleasure received by

the sadist offset the pain experienced by the victims? If there were a means of measuring pleasure and pain, and we discovered that the pleasure received in a particular instance of pin-sticking really was greater than the pain received by the victim, could we devise a social policy in terms of "aggregate pleasure"? Will *all* instances of pin-sticking by this sadist offset the pain experienced by the victims? Will *all* instances of *all* pin-sticking sadists offset the pain experienced by all future victims? Even if "aggregate social pleasure" were thus always made positive, should lawmakers enact legislation permitting universal pin-sticking? Should the rights of the victims be sacrificed for the pleasure of the sadists?

I assume that most people recognize the hypothetical nature of the problem. We have no such measure of pleasure. We cannot "weigh" the pleasure received by sadists against the pain received by their victims. This is also the theoretical problem for economists. In this case, the problem is far from hypothetical. Evaluating corporate costs and benefits is the basis of all state planning.

We might state the problem in a different way. What about the pleasure of the sadists? If the civil government intervenes, making pin-sticking illegal, haven't the interests of the sadists been sacrificed to the interests of the potential victims? By prohibiting pin-sticking, hasn't the civil government infringed on the rights of the pin-stickers? The legislators are trapped. *Someone's interests must be infringed upon*. If the civil government does nothing, the victims' interests are sacrificed. If the authorities ratify this set of conditions by legalizing pin-sticking, the victims' interests are sacrificed. On the other hand, if the civil government makes pin-sticking illegal, this will sacrifice the interests of the pin-stickers. The law cannot be neutral. Somebody wins and somebody else loses, whatever the civil government does, even if it does nothing.

The welfare economists were working with a similar problem. The Western legal tradition has long respected the rights of private property. Private individuals have not been permitted to steal from others, even if the thief is poorer than the victim. But what if the politicians act as agents of the poor? What if they do the stealing? Have we not drawn perilously close to a social order that is based on legal pin-sticking? Hasn't the state become the agent of the sadists? The analogy is strained, since rich people may voluntarily give to the poor, whereas only masochists are likely to give pin-sticking sadists the opportunity to amuse themselves by acts of violence. But

the philosophical problem is the same: *Do we have a means of measuring pleasure and pain, utility and disutility*? Can we make valid conclusions concerning "aggregate social utility"? This was the conceptual problem which faced (and still faces) economists and policy-makers.

The welfare economists tackled the problem *in the name of science*. They had been content to rely on "common sense" arguments concerning equity or fair play. They did not call for state intervention simply in the name of morality, or traditional charity, or some other non-scientific standard. They had called for the politicians to pass legislation taking money from the rich and giving it to the poor, but in the name of science. The law of diminishing utility supposedly proved the case—a fully scientific case—for statist wealth redistribution.

1. Robbins vs. Harrod

It took over three decades for any economist to come up with a definitive answer—theoretical answer—to this argument. Lionel Robbins, who had been greatly influenced as a young man by Mises, was equal to the task. In his now-classic book, *An Essay on the Nature and Significance of Economic Science* (1932), Robbins shattered the scientific validity of the older welfare economics scheme. The law of diminishing marginal utility holds up quite well for a particular individual, Robbins argued, but it cannot be applied to two or more individuals. The fact that one person prefers choice A to choice B is economically significant, but this does not tell us *how much more* he prefers A to B. We cannot measure the difference; we have no yardstick to measure subjective utility. Similarly, as economic scientists, we cannot say that the satisfaction (marginal utility) gained by the rich man is less (or more, or the same) than the satisfaction gained by the poor man when each of them receives one more dollar of income. We cannot measure the subjective loss of satisfaction when the rich man has his dollar removed by the state's authorities, and we cannot measure the increase in satisfaction accruing to the poor man who receives the confiscated dollar. As Robbins wrote: "Introspection does not enable A to measure what is going on in B's mind, nor B to measure what is going on in A's. There is no way of comparing the satisfactions of different people."[12] The politician may think he knows, or voters may think they can make such estimations, but the economist must assert that, from a scientific point of view, no such comparison is possible.

12. Lionel Robbins, *An Essay on the Nature and Significance of Economic Science* (New York: St. Martins, 1932), p. 140.

Robbins' book remains one of the classics in the methodology of economics. Yet its implications are devastating for modern economics. It was attacked by R. F. Harrod in his presidential address before Section F of the British Association, the economics organization, and reprinted in the *Economic Journal* in September of 1938. Harrod was concerned about the implications of Robbins' book for applied economics, specifically the formulation of economic policy. On what grounds could an economist who follows Robbins' epistemology ever be able to give advice to anyone concerning the appropriateness of any given economic action? Harrod wrote:

> It may be urged that the economist hereby goes outside his proper "scientific" field. This point is strongly urged by Professor Robbins. Whether the nth unit of X has greater or less utility than the mth of Y to a given individual may be made the subject of a test. He can be given the choice. But there are no scientific means of deciding whether the nth of X has greater utility to individual P than the mth of Y has to another individual Q. The choice can never be put. This implies that we cannot in fact decide whether two pence have more utility to a millionaire than a beggar. We may have a shrewd suspicion. But this, we are told, is "unscientific," for lack of a test.[13]

But what answer could Harrod provide? Only that economics really isn't very much of a science after all. "This objection would be very weighty if economics itself were a mature and exact science. Yet in fact its achievements outside a limited field are so beset on every side by matters which only admit of conjecture that it is possibly rather ridiculous for an economist to take such a high line."[14] Harrod then abandoned the whole idea of scientific logic and epistemology. He appealed to "common sense" in order to justify the scientific economist in making value judgments and policy decisions in the name of scientific rigor. "Can we afford to reject this very clear finding of common sense? Of course, great caution must be exercised in not pushing the matter too far. Since the evidence is vague, we must not go farther than a very clear mandate from common sense allows."[15] This, however, does not answer the problem. Whose common sense is he talking about? The socialist's? The Keynesian's? (Keynes was the editor of the *Economic Journal* when Harrod's article was published, and Harrod was Keynes' biographer after Keynes died in 1946.) Har-

13. R. F. Harrod, "Scope and Method of Economics," *Economic Journal*, XLVIII (1938), p. 396.
14. *Idem*.
15. *Idem*.

rod's "common sense" is simply an admission of intellectual and epistemological bankruptcy.

Harrod understood the threat that Robbins' book posed and would continue to pose to applied economics. "If the incomparability of utility to different individuals is strictly pressed, not only are the prescriptions of the welfare school ruled out, but all prescriptions whatever. The economist as an adviser is completely stultified, and, unless his speculations be regarded as of paramount aesthetic value, he had better be suppressed completely. No; some sort of postulate of equality has to be assumed."[16] This *postulate of psychological equality* asserts that men are sufficiently alike, so that the final dollar of income to the millionaire is worth so little on his value scale, and it would be worth so much to the poor man, that the state can increase social welfare by confiscating at least a percentage of that final dollar of income to the millionaire and transferring it to the poor man. Also implied, of course, is that the millionaire's moral outrage at the state is either irrelevant or offset by the approval of the poor man. Nevertheless, we must be careful when we apply this postulate of psychological equality. "But it should be carefully framed and used with great caution, always subject to the proviso 'unless the contrary can be shown.'"[17]

The problem is, *the contrary cannot be shown*, precisely because the postulate of psychological equality is not itself capable of proof. Scientifically, we cannot prove either equality of psychic income or inequality. Robbins was correct; we simply cannot, as economic scientists, make such comparisons. Yet we must, if we are to make any kind of policy recommendation, or even add up a column of figures, if we assert that the total is meaningful from an economic point of view.

In the December, 1938 issue of the *Economic Journal*, Robbins capitulated to Harrod. He accepted the "postulate of equality," which supposedly allows us to make interpersonal comparisons of subjective utility. He did not demonstrate how his acceptance of his postulate was conformable to his previous denial of the possibility of making interpersonal comparisons of subjective utility. He simply wanted to retain the role of the economist-as-policy-advisor. As he wrote:

> My own attitude toward problems of political action has always been one of what I might call provisional utilitarianism. I am far from thinking that thorough-going utilitarianism à la Bentham is an ultimate solution of any of the major problems of social philosophy. But I have always felt that,

16. *Ibid.*, p. 397.
17. *Idem.*

> as a first approximation in handling questions relating to the lives and actions of large masses of people, the approach which counts each man as one, and, on that assumption, asks which way lies the greatest happiness, is less likely to lead one astray than any of the absolute systems. I do not believe, and I never have believed, that in fact men are necessarily equal or should always be judged as such. But I do believe that, in most cases, political calculations which do not treat them as if they were equal are morally revolting.[18]

He did not believe men are necessarily equal. He thought that "as a first approximation" the "provisional utilitarian" position of the greatest good for the greatest number is useful. But we must not accept "absolute systems." Bentham's utilitarianism—a consistent philosophy of applied economics, and one based on the universal acceptability of the postulate of psychological equality—is not "an ultimate solution of any of the major problems of social philosophy." What Robbins admitted was that, in remaining a defender of applied economics, he had to abandon any claim of scientific rigor and epistemological consistency. He had to abandon economic science as he had defined it in his book.

Then how should the economic scientist make policy recommendations? By coming to the policy committee as a scientist, but then admitting, if pressed, that he can make no suggestions as a scientist. His scientific credentials get him invited to the meeting, but if he is honest, he really cannot use them in making policy recommendations. Robbins cited William S. Jevons, one of the founders of modern, subjectivist economics, in his own defense. Jevons abandoned any attempt to make interpersonal comparisons of subjective utility.

> I see no means whereby such comparison can be accomplished. Every mind is inscrutable to every other mind and no common denominator of feeling is possible. Would it not be better, I asked myself, quite frankly to acknowledge that the postulate of equal capacity for satisfaction *came from outside*, that it rested upon ethical principle rather than upon scientific demonstration, that it was not a judgment of fact in the scientific sense, but rather a judgment of value—perhaps, even, in the last analysis, an act of will? Ought it notto be made clear, for instance, that theories of public finance which went beyond tracing the effects of given measures on prices, quantities produced and such-like measurable magnitudes, and which attempted to sum social gain or loss, were not, strictly speaking, economic science?[19]

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18. Lionel Robbins, "Interpersonal Comparisons of Utility: A Comment," *Economic Journal*, XLVIII (1938), p. 635.

19. *Ibid.*, p. 637.

Well put, Professor Jevons! Then what of the necessary intellectual conclusion, that the economic scientist can, on the basis of his secular methodology, say nothing concerning policy? "But I confess that at first I found the implications very hard to swallow. For it meant, as Mr. Harrod has rightly insisted, that economics as a science could say nothing by way of prescription. It could say whether a certain course of action could lead to a desired end. It could judge the consistency of different policies. But, in itself, it passed no verdict of good or bad. It was not possible to say that economic science showed that free trade was justifiable, that inequality should be mitigated, that the income tax should be graduated, and so forth."[20] But Robbins could not bear this logically necessary conclusion. "Further thought, however, convinced me that this was irrational."[21] Why was it irrational? Because economists have always known that their prescriptions "were conditional upon the acceptance of norms lying outside economics. . . . Why should one be frightened, I asked, of taking a stand on judgments which are not scientific, if they relate to matters outside the world of science?"[22]

In other words, because economists have always known they were not really being scientific when they made policy recommendations, it is therefore irrational to worry about making policy recommendations. Because economists have never been able to make scientific policy recommendations, economists should not stop making policy recommendations now. "In the past, it seemed to me, a failure to recognize the arbitrary element in certain of the findings of traditional Political Economy had been conducive to too facile a use of these findings in framing prescriptions for action."[23] However, he made his position clear: "I was not at all desirous of preventing economists from giving prescriptions."[24] We must still make the assumption of the postulate of psychological equality among men. "I think that the assumption of equality comes from the outside, and that its justification is more ethical than scientific. But we all agree that it is fitting that such assumptions should be made and their implications explored with the aid of the economist's technique."[25]

20. *Idem.*
21. *Idem.*
22. *Ibid.*, p. 638.
23. *Ibid.*, p. 639.
24. *Idem.*
25. *Ibid.*, p. 641.

2. Taking in Each Other's Washing[26]

The responsibility for formulating the postulate of psychological equality is therefore pushed into the camp of the philosophers: specifically, the ethicists. Then, once we assume that they have proven the validity of the postulate, it can be imported and used as the epistemological foundation of applied economics.

The problem with this strategy is that the specialists in ethics are faced with precisely the same philosophical paradoxes, and they have not come to any agreement about the resolution of the problem of making interpersonal comparisons of subjective utility. This is the *incommensurability problem* in hedonism and utilitarianism. Pleasures and pains cannot be quantified, even by the individual. There is an ordinal scale (*this* is more pleasurable than *that*), but no cardinal scale (this is *exactly this much* more pleasurable than that). Mcintyre's comment on John Stuart Mill's utilitarianism applies equally well to Robbins: "Mill's whole tenor of thought is that of a utilitarian who cannot avoid any of the difficulties which this doctrine raises, but who cannot conceive of abandoning his doctrine either."[27] What was Mill's philosophical difficulty? Wrote Mcintyre: ". . . trying to bring all the objects and goals of human desire under a single concept, that of pleasure, and trying to show them as all commensurable with each other in a single scale of evaluation."[28] Modern economists do not solve this commensurability problem by substituting the word "utility" for "pleasure."

Robbins was not some amateur philosopher who could legitimately call upon the ethical theorists to solve his problem. His problem was the same one that had baffled ethical theorists for many years. Richard Brendt's article in the *Encyclopedia of Philosophy* on "Hedonism" even turns to the economists as examples of the continuing debate over whether "we can know nothing about the mental states of other persons, since there is no way of observing them directly. . . ."[29] Professor Smart put the matter quite well:

> The fact that the ordinary man thinks that he can weigh up probabilities in making prudential decisions does not mean that there is really no sense in what he is doing. What utilitarianism badly needs, in order to make its the-

26. The phrase is Cornelius Van Til's. It refers to rival philosophers who rely on each other's logic in order to maintain their own positions. Cornelius Van Til, *Who Do You Say That I Am?* (Nutley, New Jersey: Presbyterian & Reformed, 1975), "Platonic Idealism."

27. Alasdair McIntyre, *A Short History of Ethics* (New York: Macmillan, 1966), p. 235.

28. *Ibid.*, p. 236.

29. Richard B. Brendt, "Hedonism," in Paul Edwards (ed.), *The Encyclopedia of Philosophy* (New York: Macmillan, 1967), III, p. 434.

> oretical foundations secure, is some method according to which numerical probabilities, even approximate ones, could in theory, though not necessarily always in practice, be assigned to any imagined future event. . . . But until we have an adequate theory of objective probability, utilitarianism is not on a secure theoretical basis.[30]

Keynes' teacher and fellow homosexual, the philosopher G. E. Moore, put it more graphically when he wrote concerning the summing up of individual pleasures in a social aggregate:

> It involves our saying that, for instance, the state of mind of a drunkard, when he is intensely pleased with breaking crockery, is just as valuable in itself—just as well worth having—as that of a man who is fully realizing all that is exquisite in the tragedy of King Lear, provided only the mere quantity of pleasure in both cases is the same. Such instances might be multiplied indefinitely, and it seems to me that they constitute a *reductio ad absurdum* of the view that intrinsic value is always in proportion to quantity of pleasure. Of course, here again, the question is quite incapable of proof either way.[31]

But if it is quite incapable of proof for the ethicists, then there is nothing for the economists to import from this source that can serve as the foundation for the necessary assumption of the postulate of psychological equality among men. The economics of secular humanism must make unprovable assumptions about mankind in order to operate—assumptions that cannot legitimately be made, according to the logic of secular humanism, but must and will be made by policymakers.

Mark A. Lutz, an economist, and Kenneth Lux, a psychologist, attacked methodological individualism and laissez-faire economics by challenging the presuppositions of the individualists in the field of epistemology. They were methodological collectivists, and they believed that the state can and should reorder economic priorities in terms of collective needs. They grasped the fact that it is illegitimate to use Robbins' arguments against welfare economics to criticize only collectivists' policies, if Robbins' arguments are not simultaneously used to criticize all policy decisions, and indeed, all economic aggregates. They wrote:

30. J. J. C. Smart and Bernard Williams (eds.), *Utilitarianism: for and against* (Cambridge University Press, 1973), pp. 40–41.

31. G. E. Moore, "Multiple Intrinsic Goods," (editor's title) in Wilfrid Sellers and John Hospers (eds.), *Readings in Ethical Theory*, 2nd ed. (New York: Appleton-Century-Crofts, 1970), p. 387. The selection is taken from Moore's book, *Ethics* (Oxford: Clarendon Press, 1912).

> In the absence of any way to measure utility directly, the most reasonable thing to do is to assume equal utility scales across people, which in effect means equal capacity for satisfaction. In fact, it is hard to see how any other assumption makes sense. And this assumption is precisely what economics adopted in order to be able to add up different individuals' incomes, and assume it was adding up utility or value. Within the confines of marginal utility theory, this is the assumption that allows us to use aggregate statistics, such as GNP. Without the assumption of additivity of utility, by adding income, there would be no basis for comparing GNP figures from one country to another, or even within the same country from year to year. This is the kind of assumption neoclassicals had to invoke whenever they made a case for the social benefits of any kind of economic policy, such as free trade or laissez-faire. Proceeding from the same basis, the conclusion that equalizing the distribution of income and wealth was beneficial appeared to be inescapable.[32]

The authors were correct about *the necessity of the assumption of comparability of subjective utilities* for making policy decisions and comparing economic aggregates. This, however, does not answer Robbins' original point: *economists cannot possibly make such an assumption as economists*. Therefore, we must abandon scientific logic, they concluded, just as both Harrod and Robbins concluded. We must appeal to that most priceless of all rare commodities, common sense. They did not accept Robbins' original logic. They, like Harrod, did not find it convincing. Why not? Not because they can fault its coherence, but because *they did not like its policy implications*. "Once the economist accepts that there is an ordering of importance of needs, the question of differences in needs between people is relatively unessential, and we feel that the economist must accept that there is an ordering of needs among people. To do otherwise is to, once again, fly in the face of common sense."[33] But what is this ordering principle? It is human life. "The more necessary for life, or life supporting a particular good, service, or experience is, the more important it is. It is as simple as that. An economics that has no theoretical way of making a distinction between the importance of supplying water and the importance of supplying tobacco hardly seems relevant to a living organism, let alone a human development."[34] If we find that Americans have sufficient income to smoke (or that some Americans do), and we find that nomads in the North African Sahel area need water,

32. Mark A. Lutz and Kenneth Lux, *The Challenge of Humanistic Economics* (Menlo Park, Calif.: Benjamin/Cummings, 1979), pp. 83–84.

33. *Ibid.*, p. 18.

34. *Idem.*

what must be our conclusion? Obviously, the state should take away income from the tobacco-smoking (or chewing or snuffing) Americans, and drill water wells for African nomads.[35] Another conclusion defies the economics of egalitarian redistribution. Any other system of economic analysis defies "common sense." While the authors were not quite this radical in their conclusions—almost, but not quite—the direction in which their logic would carry international society is clear enough. To quote them, "It is as simple as that."

Once the secular humanistic economist acknowledges the fact—and for finite minds, it is a fact—that he cannot, as a scientist, measure subjective utility, and that he therefore cannot make interpersonal comparisons of subjective utility, *most of what we know as modern economics disintegrates*. Like an acid, the argument systematically and relentlessly erodes the philosophical, intellectual, and moral foundations of every economic doctrine that it touches, and it touches virtually every aspect of applied economics. It is the inescapable conclusion of all subjective value theory, yet it undermines the economics based—supposedly based—exclusively on the idea of subjective utility.

If there is only subjective value, then these values, unlike objective prices, cannot be compared. This is the thrust of Robbins' argument. It is as impossible to measure subjective utility as it is to measure hate, love, or any other human emotion. A person can *order* his preferences, but he cannot *measure* them. No yardstick is available.

D. Comparing Statistical Aggregates

This being the case, the logic of subjective utility leads to some very unorthodox conclusions. For example, consider the possibility of nuclear war. Assume that war breaks out in Europe. All of France is destroyed, except for one man, who happens to love French wine more than anything on earth, and one enormous vat of his most loved wine. So large is this supply that he will be able to spend the remainder of his days consuming all he wants of this wine—the attainment of his lifelong dream. On the other hand, the United States is untouched by the war. All of its cities are intact; all of its capital structure is intact. Using the law of subjective value, with its corollary prohibiting the interpersonal comparison of subjective utilities, the fully consistent economist cannot say whether the Frenchman's capital is greater

35. This was done. The policy led to an ecological catastrophe in the Sahel region of Africa. Claire Sterling, "The Making of a Sub-Saharan Wasteland," *The Atlantic* (May 1974).

or less than the capital structure of the entire United States. Who is richer? We cannot say. We cannot legitimately, scientifically, economically compare the subjective utilities of over 300 million U. S. citizens and that single ecstatic Frenchman. *Subjective utilities, being subjective, cannot be added up like a column of figures*. The economist may intuitively know that the United States has more capital and wealth than "France," meaning that one happy Frenchman, but he cannot prove it using the laws of modern subjective economics.

Readers may think that this a frivolous example. It is anything but frivolous. A debate over its implications took place at a 1974 conference of Austrian School economists held at South Royalton, Vermont. Israel Kirzner, who took his Ph.D. under Mises, defended the idea that economists, as scientists, cannot state whether or not "France" has more capital and wealth than "the United States," because all such aggregates are fictions, and we cannot make interpersonal comparisons of subjective utility. Murray Rothbard, on the other hand, challenged this view as nonsensical. Of course the United States would be richer under such conditions. In short, Rothbard took the "common sense" position, while Kirzner remained true to the logic of subjective value theory.

It should be clear that Rothbard is correct. The United States would unquestionably be richer than France in the example. Yet our knowledge of this obvious truth cannot be proven, or even consistently defended, in terms of the subjectivist axiology (value theory) of modern economics. Kirzner's position is the systematic one.

We have to conclude that the problems associated with the interpersonal comparisons of subjective utility are presently unsolvable in some instances. The logic of the subjectivist position leads directly to intellectual dead-ends, or "nonsense." As with purely objective explanations of value, the purely subjective explanations are equally contradictory in certain instances. The antinomies (contradictions) in the reasoning of self-proclaimed autonomous man are inescapable. No one can make intelligent, consistent, systematic judgments in every area of life by means of some hypothetically logical, hypothetically rational, hypothetically consistent version of pure autonomous thought and value. Each philosophical system disintegrates because of the contradictions of its own presuppositions and applications.

Kirzner discussed the theory of capital at some length in his book, *An Essay on Capital* (1966). He asked very pointed questions concerning capital per head in various nations. He also provided some

unique answers. He wrote: "Is it really without meaning to say that the capital per head in country A is greater than in country B? Is it meaningless to attempt to explain the higher productivity of labor in country A by reference to the larger quantity of capital combined with each man-hour of labor? It is indeed difficult to deny that we, in fact, use aggregate concepts of capital in this manner; what is the meaning to be attached to such concepts, and how do they relate to the 'individualistic' concept of capital that has been adopted for the purpose of this essay?"[36] The consistency with which Kirzner answered his questions is unprecedented.

> Careful reflection on the matter will, it is believed, reveal that the aggregate concept of capital, the "quantity of capital available to an economy as a whole," is, for a market economy, a wholly artificial construct useful for making certain judgments concerning the progress and performance of the economy. When using this construct one is in fact viewing the economy in its entirely [entirety] as if it were not a market economy but instead a completely centralized economy over which the observer himself has absolute control and responsibility. . . . One is thus not merging the plans of all the individual capital owners who participate in the market economy, one is conceptually replacing these plans by a single master plan that one imagines to be relevant to the economy as a whole, and against which one gauges the performance of the economy as a whole.[37]

We must ask Kirzner, how is it that such a "wholly artificial construct" that imagines that the economy is one vast outworking of a single economic plan—in contrast to the operations of the free market, with its multiple plans—should be "useful for making certain judgments concerning the progress and performance of the economy"? Why should such an artificial construct be deemed intellectually defensible? Why should it be useful? Why should defenders of the logic of the free market be forced to rely on a wholly artificial construct in order to make judgments in the area of applied economics? Is applied economics really applied economics? Is it not rather applied common sense? But must common sense be our only source of such judgments, when common sense apparently relies on the holism or collectivism of such a mental construct? Isn't this artificial construct wholly in opposition to the presuppositions of free market economics, and in conflict with the methodological individualism of subjective value theory?

36. Israel Kirzner, *An Essay on Capital* (New York: Augustus Kelley, 1966), p. 120.
37. *Ibid.*, pp. 120–21.

Kirzner actually identified this as a "holistic capital concept." He spelled out the assumptions of such a holistic capital concept:

> The truth is that the aggregate concept of capital has meaning only on assumptions according to which all parts of the capital stock are completely integrated with one another. Each piece of capital equipment in the stock is assumed to have been constructed as part of the same central plan which led to the rest of the stock. Each capital good has its part to play; no two capital goods have a function which precludes the full utilization as planned, of the other. But these conditions can exist in a market economy (in which planning is decentralized) only in the state of equilibrium [a technical concept which hypothesizes perfect foreknowledge on the part of everyone in the economy, a concept which Kirzner himself denies can ever be applied to the real world—G.N.]. The essential function of the market is, after all, to bring individual plans which do not mesh, into greater mutual coordination. So that it turns out that the aggregate concept of capital presupposes conditions that are not only violated in the real world, but which assume away some of the major problems which it is the task of a market theory of capital to elucidate.[38]

Kirzner understood the implications of radical subjectivism in economics far better than the majority of his professional peers. He saw that in order to make accurate, meaningful comparisons of capital stocks, we must assume the existence of *a comprehensive, omniscient, integrated plan* that is made in advance and then executed perfectly by *an omniscient planning agent*. Yet this is precisely what the logic of the free market denies to man or any group of men. What, then, are we supposed to give up? Are we supposed to abandon our wholly common practice of comparing the value of capital stocks in different nations, or under different economic systems? Are we therefore supposed to cease comparing the output-per-unit-of-resource-input under socialism with output under capitalism? Are we supposed to abandon the impressive argument—impressive to common sense, anyway—that the high output of laborers who live in capitalist nations is due to the far higher investment in *capital per capita* in capitalist nations, compared to the low output and low per capita investment in socialist countries? These arguments rest on the "wholly artificial construct" of aggregate capital value, which is quite obviously based on a concept of *objective economic value*. On the other hand, must we abandon the key presupposition of modern free-market economics, namely, the concept of *methodological individualism*, which has as a

38. *Ibid.*, pp. 121–22.

corollary the idea of subjective economic value? Must we abandon the arguments of free market economists against the Marxists, who still cling to one version of objective value, namely, the labor theory of value—the very heart of classical economics' value theory, against which modern economists, from Menger, Jevons, and Walras to the present, have reacted?

Modern economics thus faces a true intellectual dilemma. Economists may choose not to recognize it, but it is there nonetheless. The subjectivists have all accepted the use of statistical aggregates to one extent or another, even the supposedly "pure subjectivists" in the Austrian camp.[39] Yet their epistemology of methodological individualism categorically denies the possibility of meaning for such aggregates. *There can be no interpersonal comparisons of subjective utility, so the aggregates are economically meaningless*.

Free market economists deny the logic of the single, unified economic plan. Yet all of them (except Kirzner) eventually point to the *statistical results of socialism*—the economy of the hypothetically unified economic plan—and the *statistical results of capitalism*—the economy built on the presupposition that there can be no coherent, systematic, unified economic plan—and conclude that the statistical results demonstrate the superiority in practice of capitalism. But the whole concept of "statistical results" requires the existence of *objective, measurable economic value*, and methodological individualism categorically denies the existence of objective, measurable economic value.

Equally ironic is the fact that defenders of socialist and Marxist economies, who affirm the validity of central economic planning, who deny methodological individualism, and who thereby affirm the existence of objective economic value and meaningful economic statistics, constantly deny the meaningfulness of their economies' inferior economic performance, as measured by statistics. Such statistical measurements, they tend to argue, do not measure the "real" wel-

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39. See, for example, the statement by Gerald P. O'Driscoll, Jr. and Sudha R. Shenoy: "However, after 1945, the problem turned around completely and became that of gently (and later, more rapidly) rising prices. In eleven major developed countries, prices declined hardly at all, and when they did, it was only for a couple of years during the early fifties. Prices remained stable for some years in several of these countries, but these periods of relative price stability were outnumbered by years of rising prices, so that in effect prices have been rising more or less steadily ever since the end of World War II." O'Driscoll and Shenoy, "Inflation, Recession, and Stagflation," in Edwin G. Dolan (ed.), *The Foundations of Modern Austrian Economics* (Kansas City, Kansas: Sheed & Ward, 1976), pp. 186–87. Any discussion of rising prices involves the use of statistical aggregates, specifically, index numbers.

fare provided to citizens of a particular socialist commonwealth. In other words, the aggregate statistical data are not "true" indicators of individual economic welfare inside socialist economies. There is something "extra" received daily by socialist citizens that is intensely valuable to them, but which somehow does not appear in the statistical data. The data therefore are insufficient to reveal the full benefits to the "whole man" under socialism.

What we find, then, is that the methodological individualists, whose intellectual presupposition denies the possibility of statistical aggregation, enjoy using statistics to criticize their socialistic opponents. The socialists, who are methodological collectivists (holists), are constantly seeking to deny the meaningfulness of embarrassing economic statistics, despite the fact that the very possibility of socialist planning requires the planning authorities to collect, interpret, and efficiently use economic statistics in the central planning process.

Then what is the solution to these intellectual dilemmas? How can we affirm man's ability to make use of statistical aggregates, and at the same time keep our economics from drifting into the paradoxes of objective value theory, where "water" is supposed to be more valuable than "diamonds"? And how can we reconcile the fact that something objectively good, like the Bible, is worth less in a particular market than pornographic materials? Are there biblical answers to these apparently unanswerable intellectual problems?

E. A Biblical Solution

The Bible affirms man's ability to impute value, for man is made in the image of God, and God imputes value to His creation. The Bible affirms that there are absolute standards, meaning objective standards. Man is to think God's thoughts after Him. God created the universe in terms of His eternal, comprehensive plan. He sustains it, moment by moment. He is absolutely sovereign over it. No aspect of creation is outside His comprehensive knowledge and absolute control. Therefore, the mind of God integrates all facts and judges all facts in terms of His perfect plan.

Men cannot make absolute, comprehensive value imputations, since men are creatures. But as limited creatures they can make value imputations that are valid in God's eyes, and before the rebellion of man in the garden, this is what man did. Each man still makes these value imputations, and man, as a creature responsible to God, cannot escape the revelation and restraint of God. Men do make value impu-

tations. They live and act in terms of God's laws, either as rebels or faithful men. As living creatures, they must deal with the universe as it objectively exists, if they wish to succeed. They must interpret the information they receive from the universe through their senses, and they must interpret correctly—meaning objectively, meaning in terms of God's law-order for His universe—if they are to remain successful. Thus, their subjective interpretations are supposed to conform to the objective standards that God requires for man, who is made in His image.

There is an overall economic plan in God's mind. This forces men, to some degree, to conform themselves to this plan and to adjust their plans in terms of it. We can therefore say along with Kirzner that *in order to make assessments of comparative wealth, there must be a single, integrated plan*. Furthermore, unlike Kirzner, we can say that such a plan exists. As creatures made in God's image, we can make at least reasonable, useful estimations of the value of capital or other goods, even though we could not do so legitimately if all value were exclusively subjective, as if there were no overall plan of God.

Economists are generally self-consciously atheistic in their presuppositions. Man, and man alone, supposedly does the imputing of value. Yet, at the same time, economists use such mental aggregate constructs as "capital," "income," "national income," and "productivity." None of these mental constructs is valid, given the logic of modern subjectivism, yet the economists use them constantly. Professor Mises, an important figure in the development of modern subjectivism, and perhaps the most important figure if we are to believe the assessment of his more famous disciple, F. A. Hayek,[40] argued throughout his career against the validity of all aggregates in economics, yet when he attempted to explain the productivity of workers under capitalism, he used the concept of per capita capital investment: "What constitutes the greater wealth of a capitalistic society as against the smaller wealth of a noncapitalistic society is the fact that the available supply of capital goods is greater in the former than in the latter. What has improved the wage earners' standard of living is the fact that the capital equipment per head of the men eager to earn wages increased."[41]

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40. Hayek, *Counter-Revolution of Science*, p. 210, footnote 25.

41. Ludwig von Mises, *The Anti-Capitalist Mentality* (Princeton, New Jersey: Van Nostrand, 1956), p. 89. Cf. Mises, *Socialism: An Economic and Sociological Analysis* (New Haven, Connecticut: Yale University Press, [1922] 1951), p. 459.

If one adheres to a subjective theory of value, how is it possible to divide actual machines by actual workers? Kirzner explicitly denied that such a procedure is legitimate, unless it is confined to a single worker and his equipment.[42] Can we measure capital in terms of money? Mises seemed to think so, but how could he? The purchasing power of money is constantly changing, as Mises' book, *The Theory of Money and Credit* (1912), explains so brilliantly. You can construct a price index, of course, to measure the rise and fall of prices, but we are then back to a statistical aggregate, which Mises explicitly rejected.[43] Furthermore, money invested in capital may well be malinvested, such as in the years preceding a depression, another insight developed by Mises.[44] The capital value really may be zero or less—a looming loss—under such conditions.

Given the logic of subjective value theory, how can one speak of increasing per capita wealth, increasing per capita output, or per capita anything else? How can we legitimately compare the economic output of a socialist nation with a capitalist one? What is a "nation"? How can we accurately *individuate* the units being compared? How can we measure any change over time? How can we measure anything without a *fixed measuring device*, something which is explicitly denied by the logic of subjective value theory? In short, how can the defenders of capitalism legitimately use any aggregate statistics to prove their case? As economists, they must remain as silent as a Zen Buddhist master. They never do, of course.

Kirzner, however, came close to the ideal of silence. He said that capital estimates are valid only when made by individual entrepreneurs concerning the *estimated* present and future values of their own capital stock. Presumably, an entrepreneur could make estimates of his rivals' stocks, but only in terms of the effects of their stocks on the value of his. Kirzner was forthright: "Individual forward-looking measurement is both possible and feasible, because the problem of possibly inconsistent plans does not arise. An individual evaluates each component of his capital stock in terms of the plans he has in mind; he may have to take care to avoid possible inconsistencies, but

42. Kirzner, *Essay on Capital*, pp. 105–7.

43. Mises did admit some minor validity to a price index as an historical tool, although it is not clear why such an index should be valid in retrospect: *The Theory of Money and Credit* (Irvington, New York: Foundation for Economic Education, [1912] 1971), pp. 187–90. For his general critique of statistical aggregates, see *Human Action* (New Haven, Connecticut: Yale University Press, 1949), ch. XVI, sec. 5.

44. Mises, *Human Action*, ch. XX, sec. 6.

in appraising his measurement of his capital we may assume that he has successfully integrated his own plans."[45] Yet this assumption cannot possibly be made by an outsider. How can we know anything about whether or not he has integrated his plans? He may be a madman. He may be misforecasting the state of the free market and the value of his capital. The free market may make hash of his plans. He is not omniscient, even in his own limited sphere of influence. Where is the standard of measurement? Where is the objective reference point? The market? But the market is supposedly purely the product of multiple plans, many of them mutually contradictory (one man bets that wheat prices will rise, while another plans in terms of a fall in wheat prices). As Kirzner has shown, we cannot make assessments of capital value by aggregating market prices for capital goods.[46] So how does the individual evaluate the value of his capital? By use of the market, Mises stated so clearly: without a market, no such evaluation is possible, a fact argued by Mises as early as 1920,[47] and one which he once immodestly claimed "is certainly the most important discovery made by economic theory."[48] Mises clearly stated that in human affairs, "The truth is that there are only variables and no constants."[49]

Is it surprising, then, that his disciple Kirzner should throw out Mises' inconsistently held idea that there is some meaning to the words "per capita capital"? As Kirzner concluded: "Underlying statements that compare the quantity of capital in one country with that in another is a convenient and relatively harmless fiction."[50] He politely dismissed Mises' argument by means of Mises' other arguments. Yet he was too polite; such a comparison is more than a harmless fiction. In terms of the logic of subjective economics, it is nothing short of a subterfuge, a sleight-of-hand deception to be used by capitalism's defenders to dismiss the arguments of their socialist opponents. Most capitalists point to capitalism's productivity as a major defense of capitalism, yet the logic of modern economics denies that such a

45. Kirzner, "The Theory of Capital," in Dolan (ed.), *Foundations of Modern Austrian Economics*, p. 142.

46. Kirzner, *Essay on Capital*, pp. 120ff.

47. Ludwig von Mises, "Economic Calculation in the Socialist Commonwealth," (1920), in F. A. Hayek (ed.), *Collectivist Economic Planning* (London: Routledge & Kegan Paul, [1935] 1963).

48. Mises, *Epistemological Problems in Economics*, 2nd ed. (Auburn, Alabama: Mises Institute, [1933] 2003), p. 166.

49. Mises, *Theory and History*, p. 12.

50. Kirzner, "Theory of Capital," p. 142.

conclusion can be reached using the logic of subjective value theory. Consistent subjectivism denies the validity of all such comparisons.

Hayek stated that "every important advance in economic theory during the last hundred years was a further step in the consistent application of subjectivism."[51] He wrote those words in 1952. It would seem that we have reached the end of the road, or at least a major fork in the road, for subjectivism. It, too, has run directly into the implications of its own presuppositions. *Pure subjectivism makes lonely solipsists of us all*, with no way for us to test our generalizations or compare the products of our hands, let alone the products of billions of other human beings. When Mises wrote that "the macroeconomic concept of national income is a mere political slogan devoid of any cognitive value,"[52] he simultaneously denied the validity of all statistical comparisons of the productivity of nations, including his own comparisons.

All of this may seem like academic hair-splitting, as indeed it is. All scholarship, all intelligent pursuit of truth, eventually gets involved in hair-splitting. But the point I am trying to make is not merely technical; it is fundamental. Purely "objective" theories of value produce incongruous conclusions, so the promoters of such theories have always returned to the market forces of supply and demand to explain prices. But the market's evaluation of price and value is not stable, since conditions change. It is therefore not an objective source of value. On the other hand, subjective value theory's success in explaining the way in which the market operates has not overcome the inherent contradictions of radical subjectivism. *Economic theory in a purely subjectivist mold cannot legitimately say anything about aggregates*. It cannot make comparisons about wealth over time, or wealth across borders. Neither system of value theory can survive by itself, and the proponents of each theory borrow liberally from the methodology and conclusions of the other.

Conclusion

Point four of God's covenant structure is *judgment*, or *sanctions*. God evaluates His creation continually in terms of His purposes, decree, and covenant requirements. Men are made in God's image, so we necessarily must judge in history. The Bible says that redeemed mankind will judge the angels (I Cor. 6:3). Life for the covenant-keeper

51. Hayek, *Counter-Revolution of Science*, p. 31.

52. Mises, *The Ultimate Foundation of Economic Science* (Princeton, New Jersey: Van Nostrand, 1962), p. 87.

is a training ground for rendering better judgments.[53] In the field of economics, this means that men can and must impute value to scarce economic resources. As creatures made in the image of God, we can impute value to economic goods. We can trade with others at discrete prices. These prices are the product of competitive bargaining among acting men. We can record such prices. We can also make rough estimates of *aggregates of these prices*, and make rough estimates of the *meaning* attached to such aggregates by other acting men.

The *constant factor* in market imputations over time is therefore the *image of God in men*, as far as our assessment of other people's imputation of meaning is concerned. The ultimate constant is God's evaluation of worth and His plan. There is objective value in the universe, and men, to one degree or another, must conform themselves to, or react against, this standard of value. Mises was correct in his attempt to compare the wealth and output of socialist and capitalist nations, just as Rothbard was correct in concluding that the capital of the United States would be worth more than one vat of French wine. But the accuracy of their conclusions is in sharp contrast to their presuppositions concerning subjective value theory.

The Bible invites us to make such comparisons. We are specifically told that the economic productivity of a godly society will be greater than the long-run productivity of rebellious societies (Deut. 8:11–18; Ezek. 36). We are able to make such estimates because there really is a single, consistent, comprehensive plan, and a single Planner who has made economic assessments in terms of an omniscient plan. All capital belongs to the ultimate Planner (Ps. 50:10).[54] The forward-looking plan is God's (Isa. 45:1–8). God knows all things, and some of these things are revealed to us, though not all of them (Deut. 29:29). We can make rough estimates of economic and statistical aggregates, because there is an integrated plan, and because we are made in the image of the Planner.

Because there is an imputing, planning, creative, sovereign God, there can also be an imputing, planning, derivatively creative mankind. Because there is objective value based on the acts of creation and imputation by God, there can be a science of applied economics, and not just solipsistic, subjectivist economic theory that is divorced from all statistical aggregations. There is *objective value*, which

53. See Appendix E: "Witnesses and Judges."

54. Gary North, *Confidence and Dominion: An Economic Commentary on Psalms* (Dallas, Georgia: Point Five Press, 2012), ch. 10.

is based on the *Creator's value standards* and the *unity of God's comprehensive plan*. There are *subjective values* believed and held among men because *each man is a responsible person before God*.

This leads to a uniquely biblical principle of economic science. *The image of God in men is the metaphysical foundation of economic thought and action*. Without this basis for our knowledge and valuation, there could be no consistent, rational science of economics.[55]

The heart of man's problem is not metaphysics, meaning the reality of man's being and the underlying foundation of existence. *Man's problem is ethics*: obedience to God. The closer that men come to obeying the terms of God's covenant, the closer their judgments will conform to the God-created reality. Men are given the ability to make judgments. As rebels, they make poor, inaccurate judgments. They do not meet God's standards. These inaccurate judgments (preferences) are reflected in market pricing and profitability.

Ethical rebellion eventually produces intellectual chaos. Men reject the creation as it truly is because it reflects God (Rom. 1:18–22).[56] Their eyes are then darkened. Marxist, socialist, and Keynesian economics are inaccurate precisely to the degree that they reject God's assessment of ethical cause and effect in man's environment. The breakdown of modern economic thought is the result of the covenant-denying presuppositions of the economists. Economies that are constructed in terms of these ethically rebellious theories suffer painful consequences. Mises called planned economies "planned chaos." He was correct.

55. See Appendix B, "The Evolutionists' Defense of the Market."

56. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans,* 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 1.

6

GOD'S WEEK AND MAN'S WEEK

> *Thus the heavens and the earth were finished and all the host of them. And on the seventh day God ended his work which he had made; and he rested on the seventh day from all his work which he had made. And God blessed the seventh day, and sanctified it: because that in it he had rested from all his work which God had created and made.*
>
> GENESIS 2:1–3

The theocentric principle here is the judgment of God. He assessed His work: completed. Then He rested: a positive sanction from Himself to Himself. This is point four of the biblical covenant: sanctions.[1]

This is an exceedingly controversial theological topic. It has important implications for modern business practices: the sabbath. A full consideration of its business implications must be deferred until the exegesis of Exodus 20:8–11.[2] At this point, it is more important to consider the sabbath in relation to Adam and his dominion responsibilities.

A. Judgment

We are told that, at the end of the sixth day, God saw everything that He had made, and that it was very good (Gen. 1:31). The whole creation was without a flaw. By "whole creation," I mean the earth, the inhabitants of the earth, and the physical celestial bodies. We are

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. Gary North, *Authority and Dominion: An Economic Commentary on Exodus*, 6 vols. (Dallas, Georgia: Point Five Press, 2012), Part 2, *Decalogue and Dominion* (1986), ch. 24.

not explicitly informed about the condition of the angelic host. We are not told that Satan had fallen, along with his followers, although some Christian expositors have assumed that this event had already taken place prior to the sixth day, perhaps even before the creation of the earth in Genesis 1:1.[3] But we know that the physical creation was perfect and complete with respect to its component parts. It was not fully developed historically, but it was complete as far as God's original creative activity was concerned. Man, however, had not yet begun his full-scale dominion assignment.

Adam had not participated in the acts of creation. He had been wholly passive in the creation of Eve, providing his rib. He had been active in a preliminary assignment, though dependent: the naming of the animals (Gen. 2:20). A recapitulation of his efforts on the sixth day is provided in Genesis 2. His wife was given to him only after he had fulfilled the original assignment, a subject which will be considered in greater detail in the exegesis of Genesis 2:20–23.[4] He had to complete this one task before he was given his wife. He had become aware of his need for a helper especially designed by God to complement his efforts. He needed to recognize the economic potential of the division of labor. God announced that it is not good for a man to live alone (Gen. 2:18). He then brought the animals to Adam for naming (classification), which Adam did (2:20). Adam received empirical evidence of the incompleteness of the human species. The animals were in male-female pairs. Adam, at that stage, was alone. He worked alone. Some-

3. Because we are not told specifically about the creation of the angelic host, we can only speculate about the time, or pre-time, of their creation. But since the angels are often associated with the stars (Jud. 5:20; Dan. 8:10; Matt. 29:29; Jude 13; Rev. 1:20; 3:1; 6:13; 8:12, etc.), and the stars were created on the fourth day, it is reasonable to assume that this was the day of the creation of the angels, whose purposes include the worship of God and service to man. If this is the case, then the rebellion of the satanic host probably occurred on the morning of the first sabbath, just prior to man's rebellion. We are certainly not told in the Bible of any function of the angels that necessarily pre-dated the creation of the physical universe. Their close association with man's purposes points to their inclusion in the week of the creation. Satan believed that he could inherit Adam's lawful inheritance if he could successfully place Adam beneath him covenantally. If Adam would subordinate himself to Satan's covenant, then Satan could exercise control over everything that God had assigned to Adam as part of the dominion covenant. Satan was successful in his attempt. Only when Jesus came to reclaim the lost inheritance as the "second Adam" did Satan's title to the world require a second temptation. He tempted Jesus to worship him, and promised him the world (Matt. 4:9). Jesus rebuked the devil, died and rose again, and willed the reclaimed inheritance to His people. See Gary North, *Inherit the Earth: Biblical Blueprints for Economics* (Ft. Worth, Texas: Dominion Press, 1987), ch. 5.

4. Chapter 10.

thing was missing. God had announced Adam's incompleteness beforehand, and Adam could see it. He needed help. He needed a helper.

Adam and Eve rested on the seventh day of the creation. They had not worked as a team yet, but they were nevertheless the recipients of a day of rest. God's first week was complete. Adam and Eve saw the tail end of that original week. They knew that God's week involved a day of rest on the final day.

B. Life and Rest

This raises an important point. The first full day of life for mankind was a day of rest, a sabbath. The seventh day was God's day of rest, or cessation from His creation work. Man had seen part of the sixth day. Adam had worked briefly as a kind of apprentice under God's immediate supervision. God had brought the animals to Adam. But the seventh day for God's creation week was the first full day for mankind. It was a day of rest.

Man's week was therefore fundamentally different from God's week. God's week was wholly the product of God's creative acts. It ended with God's resting from His acts of creation. Man's week, on the other hand, *began* with rest. Man was wholly dependent on God. Man was not originally creative. Man could not legitimately claim to be the source of his environment, the source of meaning, the source of power, or the source of any aspect of the creation. Man began where God left off. *Man was not originally creative; he was subordinate and re-creative*.

How would man regard the day *following* the sabbath? Would he view it as the second day of man's week, a day of re-creative activity which followed a day of rest? Or would he view it as the first day of man's week, a day of man's original and autonomous creative activity? In other words, would man view his week as subordinate to God, beginning on God's seventh day, the day of rest? Or would he view his week as if he himself were God, launching a new program of creation, just as God had launched a week earlier?

The eighth day was to have been Adam's second day of the week, covenant man's week. By acknowledging his total dependence on God as a creature, and by acknowledging that his week began with a day of rest, Adam would have proclaimed his status as a covenant-keeper. The day following the seventh day of God's original week was to begin man's workweek.[5] Man had to begin work on that eighth

5. Adam's labor on the sixth day constituted a partial fulfillment of the dominion assignment. Eve was not present yet. Because the dominion covenant was made between

day.[6] The question was: Would man begin as a covenant-keeper or a covenantbreaker? Man's ethical status before God would determine whether man would regard the eighth day (the day following God's sabbath) as his second day of the week or his first. Would he regard the day of rest as the *foundation* of man's week or the *culmination*? It had been the *culmination* of God's original week. Would Adam attempt to assert his own autonomy, as if he were God, and announce the inauguration of autonomous man's week by regarding the seventh day as man's first workday of the week?

C. Rebellion and Negative Sanctions

The question arises: How soon did man rebel? This is a speculative question. We have no explicit revelation. We can make intelligent guesses based on the testimony of the Bible, but we are not told for certain. What I am offering here as a possible answer, it must be understood, is only speculation on my part.

Adam and Eve probably sinned on the first sabbath day. There are reasons for this conclusion. They were told that on the day that they sinned, they would surely die (Gen. 2:17). The tree of the knowledge of good and evil was prohibited. It was "off limits." They were to

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God and mankind as a species—"and let them have dominion" (Gen. 1:26a)—Adam was working as the representative head of the family. The naming of the animals should not be considered as the equivalent of the full-scale dominion assignment, for man was still an apprentice. He was being taught a lesson concerning his incomplete status. God brought the animals to Adam (Gen. 2:19), indicating the preliminary status of his efforts. He was not yet fully on his own as a spatially (or ethically, or metaphysically) independent agent. God was still close to him in a way which was not the case when the serpent approached the pair. The apprenticeship stage was followed by his time in the garden as a training camp. This, in turn, was to have been followed by the spread of mankind across the face of the earth. Man did not remain in the garden long. If my thesis is correct, he was there less than one full working day. God came before them in the cool of the day (Gen. 3:8a), and this could have been the morning rather than the evening. I believe that it was more likely the evening than the morning. They were expelled from the garden as the day was ending—a day of judgment.

6. The concept of the eighth day goes back to the earliest writings of the church fathers. *The Epistle of Barnabas*, which may have been written as early as 100 A.D., summarized God's words regarding the sabbath: "Your present Sabbaths are not acceptable to me, but that is which I have made [namely this,] when, giving rest to all things, I shall make a beginning of the eighth day, that is, a beginning of another world." Epistle XV, in Rev. Alexander Roberts and James Donaldson (eds.), *The Ante-Nicene Fathers* (Grand Rapids, Michigan: Eerdmans, [1885] 1979), I, p. 147. Justin Martyr's *Dialogue with Trypho*, written in the mid-second century, spoke of the Christian sabbath: "For the first day after the Sabbath, remaining the first of all the days, is called, however, the eighth, according to the number of all the days of the cycle, and [yet] remains the first." *Dialogue*, XLI, in *Ante-Nicene Fathers*, I, p. 215.

subdue the earth to God's glory, but they were initially to labor with this prohibition in front of them. It constituted a limit on what they were allowed to do.

Man is not a static being. He develops. He learns. That was why God put Adam and Eve in the garden. They were to learn about the tasks of dominion in a beautiful setting, so that they could eventually venture out into the world to subdue it. The longer that Adam and Eve continued as faithful stewards to God, the more ingrained the habits of obedience would become. That, of course, is what a training camp is supposed to teach new apprentices or recruits. The longer that they continued as obedient servants, the more difficult it would have been for them to break the pattern of obedience. Clearly, the sooner that Satan lured them into open rebellion, the easier it would be for him. It would be easier to tempt them successfully, and it would be easier to replace any habits of obedience with habits of disobedience. The biblical principle is stated in Proverbs: "Train up a child in the way he should go: and when he is old, he will not depart from it" (22:6). If this is a general rule for the fallen sons of fallen man, how much more true of sinless Adam and Eve?

Second, not only is man a developing being, but he is a mortal being. If sin must be visited with death, then they would need the mercy of God the moment they transgressed if they were not to die physically that very day. There could be no period of suspended judgment on God's part. They would either receive mercy that day, or they would die that day. In short, they would need a substitutionary sacrifice.

What do we know of God's sacrificial system? We know that all male children in Israel had to be circumcised. This ritual had to be performed on newborn male infants on the eighth day (Lev. 12:3). Furthermore, the sacrifice of the firstborn male animals of Israel also had to be made on the eighth day (Ex. 22:30). The mother of the animal could keep it for seven days; she lost it forever on the eighth. The mother of the Hebrew boy could cuddle him as he had been born for seven days; on the eighth day, he was taken from her and physically marred. There was sorrow for mothers in Israel. God reminded them of their sinfulness, and of the sin of their mother, Eve. They were reminded graphically of the blood that has to be shed for the remission of sins (Heb. 9:22).

The ultimate sacrifice, of course, was Jesus Christ, whose blood was shed for the remission of sins (Matt. 26:28). He rose on the first day of the week, the day after the Hebrew sabbath, the day of rest.

He inaugurated the restored week, the new beginning. The Christian sabbath is the first day of the week, the new beginning. The Christian sabbath is the first day of the week, for our rest is in principle established. Christ has overcome the world. No longer do we proclaim autonomous man's week. Christ, the perfect human, has re-established redeemed man's week. The day of rest for man is the first day of the week, the eighth day. Man now has a covering for his original transgression.

Christians should understand that the eighth day is a day of rest for us because the seventh was the day of Adam's sin. Adam announced by his self-proclaimed autonomous action in eating the forbidden fruit that he would be as God, that he would inaugurate man's week: six days of labor followed by a day of rest. His week would imitate God's original week, for he was imitating God.

He thought he needed no rest as a creature; he could begin as an originally creative being. The seventh day ought to be his first day of the week, a day of original, autonomous work. He could then rest at the end of the week, as God had rested, when his work was finished. He would complete his own work, announce its perfection, and then rest, just as God had done. He did not begin with rest, nor did he begin with a perfect environment provided to him by God, Adam proclaimed. He began his week by means of his own labor, and to prove his full independence, he began with a violation of God's covenant.

God, in effect, "rubbed man's nose" in his own rebellion. God established the six-and-one pattern as a requirement for man, until the day of redemption came in history. Covenant-keeping man in the Old Testament era would begin work on the seventh day, and his rest could come only at the end of his labors. Man's life would be a life of labor, not beginning with a day of rest, but promising rest only at the end of man's days. Man's rest, even for a covenanted man, would come only at the end. The six days of labor symbolized man's rebellious week, a week begun autonomously, denying the reality of that first full day of rest which prepared man for his week of service. Man turned his back on that first sabbath; God then did the same for man. "Your rest will come at the end of your days, after death has cut you off in the midst of your days." The six-and-one framework was a blessing, for it promised covenant man eventual rest, but it was also a curse: it delayed man's day of rest. Man wanted to be as God, resting at the end of his week of labor. God allowed him to achieve his goal, but only through grace: rest at the end of man's week (life).

Man announced that he, autonomously, would begin his creation week on the seventh day. God's curse on Adam was that his work would henceforth be burdened. Man wanted to demonstrate his own creativity. God showed him how limited he was as a creature, making him struggle with the creation. Man had received a completed, perfect creation as God's gift. It awaited him for the eighth day of history, his second day of the week. Adam spurned the gift, choosing to regard himself as the creator. The cursed earth now serves as a testimony to man of the difficulties of creation, even in an environment that had been completed by God.

Adam's first full day of life was also his first day of sin and judgment. What he failed to see was that his *life* and his *rest* were linked. By denying the validity of his rest, he denied the foundation of his life. God cursed man. Every man who is not given life is also not given rest. He shall have no rest in eternity, for autonomous man is not the source of life, nor can he complete his work and take his own day of rest. Regenerate men will receive rest, and therefore eternal life, but only after their days of earthly life are over. The *promised day of rest* at the end of the week was a *promised day of redemption* at the end of time. Covenant men were to understand from the six-and-one framework that the day of redemption was in the future. It should have been clear to them that once the day of the Lord (the Lord's day) was revealed in history, the original standard for man's week would then be re-established: one and six.

God honors His plan of history. Man can never escape the testimony of his rebellion. He rebelled and died spiritually on the seventh day. He needs hope in a new life (resurrection) on the eighth day. Christ's resurrection on the eighth day gives covenantally faithful men this hope. They must regard this day as their new day of life. Because of Adam's sin in history, covenant man cannot ever return to the seventh day as his first day of the week (first full day of life). He fell. His day of life depends on Jesus Christ. Therefore, his day of rest is now the eighth day of the week, resurrection day, or the Lord's day. This begins redeemed man's week.

D. A New Day of Rest for a New Humanity

By establishing the first day of the week as the day of rest, Christ and the church assert the new humanity. Redeemed man begins on a new foundation. No longer is he autonomous. No longer does he claim to be able to create a new heaven and a new earth by means of

his own autonomous labor. As long as men attempt to imitate God, beginning their week in terms of their own strength, they are doomed to failure. Men must rest on Christ's sacrifice, and in hope of the resurrection, Christ's firstfruits offering. On the day following the sabbath at the end of Passover week, the Israelites offered a firstfruits offering (Lev. 23:10–11). On that day, when the sheaf offering was waved, a lamb was sacrificed (Lev. 23:12). Paul referred to "Christ the firstfruits" (I Cor. 15:23). This firstfruits offering was therefore made on the eighth day. The hope in "Christ the firstfruits" is redeemed man's hope for the resurrection: "For as in Adam all die, even so in Christ shall all be made alive. But every man in his own order: Christ the firstfruits; afterward they that are Christ's at his coming" (I Cor. 15:22–23). Redeemed man's hope is focused on the meaning of the eighth day. Adam died on God's seventh day, the self-proclaimed first day of fallen man's week; Christ arose on the eighth day, the God-proclaimed first day of man's week.

1. The Temptation

Why the eighth day? The Bible points to the sin of man on Adam's proclaimed first day of his week of creation, or better put, on the first day of man's first week of fully responsible dominion. The first week had been God's week exclusively. He rested on the seventh day. He removed Himself from the physical presence of Adam and Eve. It was their first full day of life. Adam had served as an apprentice the previous day, but on the seventh day, he and his wife received their independence. God would see how they would handle temptation. They did not handle it well. They sinned. He returned to judge them in the evening. This is why the sabbath is "the day of the Lord," meaning judgment day. (The church recognizes this in the sacrament of the communion meal, which is preceded by self-judgment.)

Adam also should have rested and judged, just as God did. As God's delegated representative, Adam should have killed Satan's representative agent, the serpent, at the time of the temptation. He could then have waited for God to return to render judgment on this act.[7] Having condemned the serpent, he and Eve could then have had a communion meal with God (as the church does covenantally: Lord's Supper) at the tree of life. Instead, they had communion at the forbidden tree—a satanic communion, like the one forbidden by Paul in I Corinthians 10:20–21.

7. See Appendix E, "Witnesses and Judges."

Adam rebelled against God. The serpent had told Eve that on the day the two of them ate of the forbidden fruit, they would become as gods (Gen. 3:5). What had they both learned about God's activity? They knew that He had created the world in six days. They had not been present at the creation, but they had seen part of the sixth day of the week. They could begin their first week as subordinates to God or as imitation gods. They could rest, and the next day begin to work under the authority of God, or they could attempt to establish themselves as sovereign creators apart from God and in rebellion against God. By resting on that seventh day, waiting one day to begin work, they could begin the dominion assignment in the second week of the earth's history, clearly derivative in their authority. On the other hand, by rebelling they could declare a new creation, a new beginning, as autonomous creators. They could declare "man's week" as an alternative to, and a program superior to, God's week. Would man begin the full-scale tasks of dominion by acknowledging his secondary importance in the second week, or would he deny the relevance of the week that had preceded "man's week"?

If he chose to become the new god, he would have to act fast. In fact, his first act would have to be an act of rebellion, in order to establish man's first day of sovereign lordship over his new creation. For the serpent to make an effective case for rebellion, he would have had to approach Eve on the morning of the seventh day, the first day of man's week. To interrupt man's labors mid-week would have meant that man had labored for part of his first week under God's sovereign authority. Obviously, at least part of the week would have been visibly God's week, not man's. So, Satan probably began his temptation on the morning of the seventh day.

2. A Day of Rest

Totally sovereign over history, resting assured, God rested the seventh day. Autonomous man cannot rest in confidence that his labors will be successful. He dares not "waste" time. He cannot afford to waste any resource as precious as time. Covenant man can rest on God's sabbath, for he knows that God is sovereign, and that he, as God's obedient subordinate, possesses the grace of God. His work will persevere. He can enjoy the day of rest because he knows that every week is God's week. The law of God is his tool of dominion, and he knows that the law of God is in conformity to the operations of the world. He does not have to labor seven days a week in order for God

to bless his efforts as dominion man. He is subordinate to God, so he can be confident as a dominion man over God's creation. Covenant man enjoys his rest.

Autonomous man's week never ends. The eighth day is like the sixth day, and the seventh day is like the second day. The week is never-ending, and the work is never-ending. Man's week is not a week at all; it is a life of frantic labor, for man must establish his dominion over foreign territory—God's creation—in terms of antinomian rebellion. Biblical law is man's tool of dominion, so the task becomes an ever-greater burden as rebellious man departs more and more from God's revealed law-order. There is no day of rest—psychological, confident rest—in man's week. Covenant-breaking man cannot enjoy his rest as a zero-cost blessing.

Satan wanted to make man his slave. He wanted to drive his new slave unmercifully, just as the Pharaoh of the oppression wanted the Hebrews to serve as slaves, and the Pharaoh of the exodus did with his Hebrew slaves (Ex. 5:5–14). God wants servants; Satan wants slaves. God wants men to prosper and rest; Satan wants men to fail and bleed at their labors. God's week gives covenant man confidence in his own labors, for it gives him a day of rest. Satan's week—for man's week apart from God is Satan's week, ethically—is a week without confidence or rest.

Man sinned, and he sinned early. He did not taste the fruits of righteousness for eons before he rebelled. He went straight to the forbidden fruit, in a rebellious assertion of his own autonomy. He was not content with the glorious rest he had been offered. He had been offered a taste of the fruits of labor, a rest without a week of human labor preceding it. God had shown him what lay ahead, if only he would conform his heart and his labor to Him. Like a dessert before the meat and potatoes, God had offered Adam and Eve the blessing of godly rest. In the face of this, they turned their backs on God and declared man's week. They converted man's day of rest into a day of seeming economic loss, for man would henceforth be faced with alternative costs. For every hour he remained at rest, man would lose the income that an hour's labor might have produced.

Outside the covenant, man can no longer count on the fixed relationship between God's law and God's blessings. Outside the covenant, rebellious man can no longer rest assured that his rest will have its reward. In man's week, men are faced with a decision: steal time from God's sabbath rest, but increase their short-run income; or for-

feit short-run income on the day of rest, but reap the rewards of faithfulness that God promises to His covenantally faithful people. Had Adam not rebelled, he would not have acknowledged the validity of this choice. He would have rested, confident that he was not stealing from God, and confident that he was not forfeiting any income that he might otherwise have earned. He would have known the fruits of righteousness. His day of rest would never have appeared to him as an expense, but as a blessing from God. In God's week, the day of rest is an unmitigated blessing, a cost-free blessing, not a day for agonizing over the costs of resting (the forfeited economic benefits of working). When Adam declared man's week, he robbed himself of a blessing he might have experienced: a day of rest that is free of charge.

E. Life, Sabbath, Dominion

While the one-six and six-one patterns are those that we associate with a week, we should also recognize the *life-sabbath-dominion* pattern of three days. Adam was created on the sixth day. He served briefly as an apprentice under God, getting a taste of the nature of God's dominion assignment. He should have rested the next day, his first full day of life. This can also be understood as the second of three days. The third day, he was to have begun his work as a covenant-keeper. His dominion assignment would have brought fulfillment to him, for his work was to have been meaningful and blessed by God. The second day, given this three-day framework, he rebelled. But his life was to have been marked by the initial three-day pattern: preliminary labor as an immediate subordinate to God, rest the next day, and dominion labor as God's agent on the third day. In short, *life, sabbath, dominion*.

We see this same pattern in Christ's work of redemption. On the day before the Pharisees' sabbath, He was taken to the cross and executed, suffering for the sake of His people. He had served throughout His life as a suffering servant of God, and this act of sacrifice on the final day of His pre-resurrection life was the essence of His redemptive work on earth. The next day, His body rested in the tomb. This was the sabbath day.

Christ's sabbath rest was spent in the presence of God. He told the thief on the cross, "To day shalt thou be with me in paradise" (Luke 23:43). His earthly body rested in the tomb, but His disembodied soul had fellowship with God for the entire sabbath. *Perfect rest and perfect fellowship: here is the heart of the sabbath.* Christ, because of His death, fulfilled perfectly the terms of the sabbath. The third day, he

rose from the dead. He had been cut off in His prime; now He lived again, ready to inaugurate the dominion phase of His life through the church, His body (I Cor. 12:12–20). All power was given to Him (Matt. 28:18).[8] The day after the sabbath, therefore, was the third day, yet it was also the eighth day, the first day of redeemed man's new week. So we see a fusion: third day, eighth day, and first day. Christ's resurrection re-established the pattern of Adam's life that had been God's original requirement: a day of life, a full day of rest, and a day of dominion under God. Our new life in Christ is celebrated now on the first day of the week.

Because Christ's new life is imparted to His people through regeneration, we can serve as dominion men, in time and on earth. Our sabbath is now (Heb. 4:1–11), so we can rest spiritually, but at the same time, we are exercising our dominion responsibilities. We are dominion-minded because we have the mind of Christ (I Cor. 2:16).[9] He has conquered Satan, so we in principle have conquered. We have the down payment (earnest) of our inheritance in Christ (Eph. 1:14). This means that we have a down payment on our future era of sabbath rest, which is also an era of total dominion. We work now, yet we also rest now. Our rest is not perfect, nor is our dominion perfect, but as we work out our salvation with fear and trembling, we learn the meaning of both rest and dominion.

Conclusion

The foundation of dominion under Christ is rest in Christ. The basis of our new life in Christ is His resurrection. He rose on the third day after His life ended, thereby covering the sin of Adam, who rebelled the day after he had been given life, assuming my previous argumentation is correct concerning the day of Adam's Fall. Christ calls us to rest on the first day because God wants us to acknowledge ritually that the basis of dominion is our commitment to God, who provides everything for us, including life, before our dominion assignment even begins. We begin with rest, as Adam was supposed to have done. We view the *day of true life* as our sabbath day, our *day of confident rest in Christ*, which can be seen as the eighth day and also as our first day of the week, redeemed man's week.

8. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 48.

9. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians,* 2nd ed. (Dallas, Georgia: Point Five Press, [2010] 2012), ch. 2.

Adam announced his autonomy when he inaugurated man's week. It began with work, but it was Adam's autonomous, rebellious work. Prior to the coming of Christ, God made His people adhere to a sabbath plan: rest on the seventh day. Their rest was always before them at the end of the week. God was telling them graphically that their ultimate rest in Him was also being delayed. Then came Jesus Christ. His resurrection on the first day of the week, the day after the Passover sabbath, the eighth day, brought God's promised rest to His adopted sons. Their rest is now assured. The proof of this rest is Jesus Christ. He came in history, so the promised rest is, in principle, manifested in the past. We celebrate our rest on the first day of the week now. Christians announce their reliance on Christ's work by resting on the first (eighth) day of the week. They no longer claim autonomy. They, as the former sons of the first Adam, no longer declare their creative independence by working the first day of the week, as Adam did. Redeemed man's week begins with rest, in full assurance that God's providence will sustain him and prosper him. Unredeemed man's week begins with labor. The Jews hope for the promised future rest, and they still celebrate the seventh day sabbath. The pagans, unless influenced by Jews or Christians, or unless influenced by the Islamic imitation of both "religions of the Book," which celebrates its rest on the sixth day (Friday), still cling to their autonomy, still drive themselves mercilessly. Autonomous man's week is a full seven days, and autonomous man will never achieve rest.

7

THE VALUE OF GOLD

And the gold of that land is good: there is bdellium and the onyx stone.

GENESIS 2:12

The theocentric principle here is the doctrine of God's imputation: rendering judgment. This is an aspect of point four of the biblical covenant: judgment.[1]

In describing the land of Havilah, Moses singled out its supplies of precious metal and stones. (Some think bdellium was a plant or plant byproduct.) This is the sole reference to inanimate objects prior to the rebellion of man that specifies their unique quality. Moses understood that the people of his day would comprehend the value of a land that possessed jewels and gold. Man's place of original responsibility was a splendid land, and the presence of fine gold was one of its marks of splendor. God's generosity to man was immediately apparent to anyone reading or hearing Moses' account of Adam's environment.

Precious metals and jewelry have been regarded as basic wealth objects for as long as man has left records. Gold has been a form of money for as far back as we can investigate. Its brilliance, durability, malleability, and universal respect as a metal of continuing value have made it a unique economic resource. Its scarcity in relation to the high value men place on the ownership of the metal (high marginal utility) has made gold a universal currency. Gold is something worth owning. Even Adam in the garden could be regarded in retrospect as blessed, Moses made it clear—all the more reason to condemn Adam's

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

ethical rebellion. In a perfect creation, which God had announced as being good, gold and jewels were something special.

A. Gold as Money

Gold is the universal money. Wherever men truck and barter, they respect gold as a means of exchange. Why? What is money, and why should gold serve as its universal archetype? Money is simply *the most marketable commodity*.[2] To one extent or another, money must have the following characteristics: *divisibility, durability, transportability, easy recognizability, and scarcity in relation to its demand* (high marginal utility). Many objects have functioned as money in the history of man. Cattle, precious metals, salt, shells, and even women have served as units of account. (Divisibility has always been a problem with women; half a woman is worse than none at all.) Money must serve as a unit of common account. It is often referred to as a "store of value," although the terminology is misleading, since it has overtones of fixed objective value apart from value-imputing men operating in competitive markets. We might better say that *money is a valuable thing to store*. Most important, *money has* ***historic*** *value*. It was valuable yesterday, or perhaps centuries ago, and traders can assume that a particular form of money will therefore be valuable in the future. This *continuity of value over time* is paramount in establishing a particular commodity as an acceptable monetary unit.

There is a theoretical problem with this analysis. If money is valuable as money today because it was valuable as money yesterday, how can we explain the origin of money? This was a problem answered by

2. Ludwig von Mises, *The Theory of Money and Credit* (New Haven, Connecticut: Yale University Press, [1912] 1953), p. 32. Mises wrote in 1949: "In the marketability of the various commodities and services there prevail considerable differences. . . . It is these differences in the marketability of the various commodities and services which created indirect exchange. A man who at the instant cannot acquire what he wants to get for the conduct of his own household or business, or who does not yet know what kind of goods he will need in the uncertain future, comes nearer to his ultimate goal if he exchanges a less marketable good for a more marketable one. It may also happen that the physical properties of the merchandise he wants to give away (as, for instance, its perishability or the costs incurred by its storage or similar circumstances) impel him to wait no longer. Sometimes he may be prompted to hurry in giving away the good concerned because he is afraid of a deterioration of its market value. In all such cases he improves his own situation in acquiring a more marketable good, even if this good is not suitable to satisfy directly any of his own needs. . . . Money is a medium of exchange. It is the most marketable good which people acquire because they want to offer it in later acts of interpersonal exchange." Mises, *Human Action* (New Haven, Connecticut: Yale University Press, 1949), p. 398.

Mises' "regression theorem" in his 1912 book, *The Theory of Money and Credit*. At some point in the history of a particular monetary unit, it must have been valuable for its other properties. Perhaps its beauty was central. Possibly it was used as an ornament or as a sacred object. Acting men must have imputed value to the metal or other object for reasons other than its previous service as a means of exchange. Mises' argument is plausible, but it is still a form of "conjectural history." We can only speculate concerning the origins of money.

What we *do* know is that God calls attention to the special position of gold and the precious stones of Havilah. He expects men to recognize the special nature of His gift to mankind of assets that are almost universally recognized as valuable. Their beauty in men's eyes—an indication of universal standards of beauty among men—and their scarcity (high marginal utility) in relation to this universal demand for beautiful jewels or gold ornaments result in the creation of what appears to be an objective value for gold and jewels. This is the closest that we should come to attributing "objective" or "intrinsic" value to gold, silver, or some other universally recognized form of money. The almost universal acceptability of gold in voluntary exchanges between men has produced historic value of such long standing for the metal, that men speak of gold's intrinsic value. But this supposed "intrinsic value of gold" is better understood as an *almost intrinsic desire to own gold among mankind*. Even so, this desire is never a fixed emotion, irrespective of time and place. There is no fixed market value for gold, no "innate price" of gold. Gold is not a universal fixed economic reference point for all market exchanges. However, God provided high quality gold for Adam, and Adam and his heirs were (and are) expected to recognize God's generosity in this regard. The gift of gold was a fine one indeed. It still is.

The use of gold and silver as ornaments is a fact recorded by the Bible. *Strong's Concordance* lists three columns of fine-print entries of verses that refer to silver, and three and a half that refer to gold. Unquestionably, the Bible records the long history of both metals as primary forms of wealth. "And Abram was very rich in cattle, in silver, and in gold" (Gen. 13:2). Gold and silver were convenient units of account because they could be weighed in terms of a standard unit of weight, the shekel (Gen. 24:22). King Asa paid out the gold and silver of Judah's treasury to Ben-hadad as tribute money (I Kings 15:18). The fact that this payment was perfectly acceptable to Benhadad indicated how universal these metals were in exchange.

How valuable is gold? When making an estimation of the incomparable value of God's judgments, David used gold as a representative standard of comparison, albeit a dim approximation. But gold is the highest earthly standard by which we can compare God's judgments (Ps. 19:9–10). Gold is desirable; how much more desirable is the righteous judgment of God! This same comparison is used repeatedly by biblical writers (Ps. 119:72, 127; Prov. 3:14; 8:10, 19; 16:16; etc.). Even the New Jerusalem, God's final and most glorious physical gift to redeemed mankind, is referred to as pure gold (Rev. 21:18). From the garden of Eden to the New Jerusalem, gold is wealth.

B. Monopoly and Dross

It is when men as citizens or government officials tamper with the gold and silver content of the currency that disaster results. When men's hearts are dross, they risk the production of dross currency and dross consumer goods (Isa. 1:22).[3] Kings have practiced this monetary deception for as long as there have been kings. They pour less expensive (base) metals into the silver or gold used to cast ingots or coins. They substitute paper notes or checks or computer entries for the precious metals, and then they multiply the notes, checks, or computer entries. Money multiplies, prices rise, and the redistribution of wealth through deception increases. The civil government fosters fraud, either directly (debasement, printing press money) or indirectly (central and commercial banking). When the authorities of the civil government stamp a coin or bill with a seal testifying that a particular quantity and fineness of a precious metal is contained in a coin (or a specific quantity of this metal is in reserve for immediate exchange of the paper note), and subsequently debase the coinage or print more bills than there is metal on reserve, they thereby act fraudulently. They first create a monopoly of money issue, and then they misuse this government monopoly. They spend the fiat money into circulation, buying the market's scarce economic resources. The state thereby increases its consumption by levying the "invisible tax" of monetary inflation.

The monopoly of money is fraught with danger for all but the most alert private citizens and the beneficiaries of state favors. The authorities cannot long resist the temptation of levying the invisible tax of price inflation. It is true that Byzantium was blessed with a

3. Gary North, *Restoration and Dominion: An Economic Commentary on the Prophets* (Dallas, Georgia: Point Five Press, 2012), ch. 3.

stable gold coinage for over 700 years, but this was unique in man's history.[4]

This is why inflation of the money supply has been a feature of human history from the beginning of our records. Governments cheat. Honest civil governments are not the creators of money; they are, at most, the certifiers of money. This is why the Bible again and again warns about the sin of fraudulent weights and measures.[5] This is linked to justice (Lev. 19:33–37;[6] Deut. 25:13–16[7]). When Jeremiah bought the field from his kinsman, he "subscribed the evidence, and sealed it, and took witnesses, and weighed him the money in the balances" (Jer. 32:10). The money in this case was 17 shekels of silver (Jer. 32:9). The *debasement of the currency* is nothing less than *tampering with the weights and measures*, whether done by private coin clippers, counterfeiters, or state officials.

The abolition of the gold standard in the twentieth century during and after World War I led directly to universal inflation, revolution, and boom-bust trade cycles in the same historic period. There is no escape from the moral laws of God, whether or not hired professional economists recognize such a moral order's existence. The gold coin or silver coin standard, or multiple coin standard of freely exchangeable currencies, is the direct result of biblical law.

The abolition of honest weights and measures through the creation of fractional reserve banking, printing press money, coin debasement, or coin clipping, must inevitably result in unpleasant social and economic repercussions. When someone issues a receipt for metal of a certain fineness and weight, he must have just exactly that on reserve. To issue more warehouse receipts (bank notes) than there is metal on reserve is nothing less than tampering with the scales, for the results are identical to coin debasement. It is the same sin; it must result in the same judgment. We live in a universe that is personal and governed by moral law. Economic crises are the built-in self-regulating devices—built into man and the creation—that restrain men in the pursuit of evil. Dishonest weights, dishonest money, dishonest authorities, and dishonest cultures go together.

4. "Byzantine Coinage," *Wikipedia*.

5. R. J. Rushdoony, *Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), pp. 468–72.

6. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 19.

7. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 65.

Conclusion

Though the Roman Empire is dust today, its gold and silver coins still can be exchanged for scarce economic resources. The Caesars have been in their graves for millennia, their authority long defunct, but the coins bearing their likenesses can still buy goods and services. Men impute value to precious metals long after men have ceased imputing value to a political regime. Precious metal currencies outlast civil governments. Gold can be money. Silver can be money. So it has been since the beginning of recorded history, and so it shall be at the end.

The gold of Havilah was good. It was high quality gold. It was desirable gold. But, most of all, it was not easily counterfeitable gold, especially by lawless civil governments.[8] This is more than we can say about banknotes, credit cards, and unbacked fiat currencies.

8. Gary North, *Honest Money: The Biblical Blueprint for Money and Banking* (Ft. Worth, Texas: Dominion Press, 1986).

8

SUBORDINATION AND FULFILLMENT

And the LORD God took the man, and put him into the garden of Eden to dress it and to keep [guard] it.

GENESIS 2:15

The theocentric principle here is subordination, point two of the biblical covenant: hierarchy.[1]

A. No Autonomy

Cosmic personalism affirms that all things have their being and meaning in terms of the person and plan of God (Acts 17:28). It absolutely denies the possibility of autonomy—self-sufficiency—for any aspect of the universe. All the creation is subordinate to God. There is also a hierarchy within this created order. Man is under God; nature is under man.

The world was created good. God had already affirmed the goodness of the creation when He assigned the tasks of dominion to man. Despite its God-derived and God-proclaimed goodness, nature was not fully developed. The earth's surface was not yet under man's dominion. God created a garden eastward in Eden as a place of initial testing and training for man. Adam was not yet ready for the full task of worldwide dominion. He was ready to learn, however.

The earth was never designed to be autonomous. Neither was the garden. Though the creation was able to function without man's im-

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 2; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 2.

mediate presence, it could not achieve its full flowering apart from man. This is equally true in the post-Fall era. The natural world needs guidance and care from man, especially covenantally faithful man. For nature to flower, it must be subordinate. *Nature is fundamentally passive*, despite the active competition of the species within the framework of nature's law-order. Nature was designed; it has a goal; God has a purpose for it. Natural processes are not fully self-correcting, for without man's care, nature cannot independently achieve its purpose. The so-called balance of nature is insufficient to produce a developed, mature nature. Nature apart from man is God-sustained and God-restrained. Under covenantal dominion, cursed nature's restraints on mankind are progressively lifted.

Nature was allowed to operate briefly without man for five days. Man was allowed to operate briefly without woman for less than one day. Neither could be fully comfortable without its complement. Nature needed subordination under man. Man needed subordination under God. Man was unable to achieve the fullness of dominion alone. *Dominion requires a division of labor*, so he received his helper fit for him. The familiar phrase "helpmeet" has distorted the meaning of the original words. Eve was a helper "meet" or *fit* for Adam. She was the product of design. Adam knew he could not perform his tasks efficiently without another person to assist him. Like nature, he had been created good but incomplete. He knew from the very beginning that he was not self-sufficient.

B. Man's Calling

God assigned Adam an initial task to be completed by himself. He was to name the animals of the field and the birds. This meant that he had to classify them, intellectually integrating their functions into an overall design. The "many" were to be arranged in terms of the "one," meaning the plan of God as perceived and interpreted by Adam, God's image. We are not told whether this classification involved all the beasts of the earth, or whether it was limited to the field of the garden. If it involved all animals, the task is barely conceivable in retrospect. We cannot imagine how such a task could have been completed by one individual in a few hours. Even if the assignment involved only the beasts and birds of the garden, it would have been an awesome task. Yet Adam completed it in a few hours. His mind, prior to the Fall, was efficient beyond anything we can imagine. Modern man, with the aid of enormous capital, the division of labor, and

the modern computer, has only begun to match the skills of the first man in the garden.

Adam worked before he married. His definition of himself was set in reference to his subordination to God and the dominion covenant. *Man's work is fundamental to his very being*. Eve was given to him within the framework of his calling or vocation before God. The family has its meaning in terms of the dominion covenant. The individual family is influenced overwhelmingly by the particular calling of the husband. Wives are to be selected in terms of the man's calling. They are to help their husbands fulfill their callings (Prov. 31:12, 23, 27).[2] By departing from this interpretation of the meaning of marriage, we find that religions, cultures, and individual families have neglected their callings before God, and the tasks of dominion have not been achieved in a systematically biblical manner. The family structure has been designed for a purpose, and by neglecting the husband's calling as the central feature of the family, rebellious men have compromised the family.

The tree of the knowledge of good and evil also testified to the impossibility of autonomy. It was a visible and constant reminder of man's subordination to God and his total dependence on God for his power and knowledge. *Knowledge is a prerequisite of power.* God set a tree before them that promised a special form of knowledge to man. Then He declared the tree "off limits." They could not enjoy its fruit. They had to acknowledge a zone of knowledge, and therefore power, which was ethically forbidden. They had to live in terms of a *seeming imperfection* in their very being. They were told that they and the creation were good, yet they were forbidden access to the tree. They had to work out their task of dominion in a cooperative effort, as man and wife, and as a family before God. Were they imperfect metaphysically? Was some fundamental aspect of their being, their humanity, lacking? God said no. They were perfect as beings, though they had a life-long task of dominion and celebration before them. They were perfect as creatures, but they were not autonomous. The tree reminded them of their necessary dependence on God, for there was knowledge which was closed to them as metaphysically complete, ethically perfect humans. Their authority would always be derivative.

They were not to eat of the tree. To do so meant that they were dissatisfied with their position as subordinate, dependent creatures. To do so meant that they believed they could capture forbidden knowl-

2. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs* (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 85.

edge and therefore forbidden power. The serpent recognized this in his tempting words, that they would become as gods (Gen. 3:5). In effect, they would be criticizing God for the imperfection of His creative acts. He had left them *metaphysically incomplete*, they would be asserting, devoid of a crucial aspect of "true humanity." Therefore, to eat of the tree, they had to proclaim that as autonomous beings they could decide for themselves to capture their "full humanity" by an act of ethical rebellion. They would determine for themselves whether or not they would die, although God had promised them that they would. As sovereign experimenters, they would test the word of God. But it would not really be a test, for by eating of the tree, they were already asserting that God's word could not possibly be what God said it was, namely, absolutely authoritative. To test God's word meant that the testing agents already had denied the absolutely authoritative nature of God's revelation. By assuming that God's word could be tested, they would be asserting that chance, not God's word, is authoritative. It *might* be that they would not die. Therefore, it had to be that God's word is not sovereign. Chance, not God, is therefore the sovereign of the universe, and man might overcome impersonal chance or impersonal fate by gaining sufficient knowledge. The first step towards *total knowledge* (omniscience) would be the quest for a specifically *forbidden form of knowledge*.

Would God test man's capacities in the garden? Then man would test God's word in the garden. Who was dominant? Who was subordinate? Would man find his fulfillment in terms of his God, his wife, and the dominion covenant? Or would God find *His* fulfillment in terms of man, man's plans, man's tests? *The tree was a symbol of the real test, which was ethical, not intellectual or metaphysical*. Adam could learn the tasks of dominion as a subordinate. Or Adam could attempt to become autonomous, a self-directed sovereign who might achieve total dominion over the creation through the exercise of his own autonomous knowledge and power. He could find fulfillment in terms of subordination under God and dominion over nature, or else he could attempt to find fulfillment in terms of a struggle against God, nature, and chance, with chance as the present reigning sovereign, under which God also operates and tries to make His word authoritative. *The tree stood as a symbol of man's ethical and metaphysical subordination as a created being*. Ultimately, Adam could not test his metaphysical position, for God made him what he was. The tree was a test of his ethical position before God.

C. Training for Dominion

God gave Adam almost free rein in the garden. Only one pathway was forbidden. Adam was supposed to have learned the skills of dominion in the garden, and from there he and his family were to have gone out as dominion-exercising subordinates under God. He was not supposed to stay in the garden forever. The garden was a training ground, a place that God had declared good but incomplete (undeveloped). Adam's task was to bring the earth under control for the glory of God and in terms of God's law-order. His special task was to make nature fulfilled as well as good. In doing so, he would become complete, as a creature who had fulfilled his God-appointed purposes. ("Completion" refers to historical fulfillment, not an advance in "being.")

It is not generally understood by Christians that *paradise*, as represented by the garden or heaven, is *impermanent*. Adam was to use the beauty of the garden as a temporary resting place, a place of joy, almost in the same way that Western cultures regard the honeymoon. It was a place of learning and training. Like the honeymoon, the garden experience was to serve as a preliminary blessing which would lead to fulfillment in dominion. Marriage, not the honeymoon, is central to dominion, just as the world, not the garden, was to have been the focus of Adam's concern. But Adam wanted paradise on other terms. He wanted instant knowledge, not the progressive knowledge that is the fruit of dominion, first in the garden and subsequently in the whole earth. He wanted a "higher consciousness" apart from the labor of dominion. He wanted special knowledge, instant knowledge, not the knowledge of experience as a subordinate. His eyes turned to the tree in the midst of the garden, rather than outward toward the world, which would remain unfulfilled apart from his active dominion. He subsequently abandoned his calling under God. Rather than spread the zone of paradise from the garden to the world, turning the world into a paradise, he decided to choose instant illumination through a prohibited action in defiance of God.

As Adam discovered to his consternation, God would not allow him to abandon his calling, for this calling is central to all humanity. He was cast into the world prior to the completion of his training. He was still responsible before God. He still had to exercise dominion. Nature deserves its fulfillment. Adam would not be allowed to abandon nature. He could not remain in the garden, that most pleasant of training camps, seeking higher consciousness. He had to work. So do his heirs.

Conclusion

God will achieve His goals. Man will achieve dominion over nature. Nature will become fully fulfilled (Rom. 8:19–22).[3] But the long process of dominion is now cursed. Having failed in our pain-free training, we are now forced to learn painfully "on the job." This was not the case in the garden. Adam rejected pain-free training.

It is a mistake for Christians to focus their long-term hope on the joys of heaven. Heaven is paradise (Luke 23:43; II Cor. 12:4). It, too, serves as a training ground. It is a good place, but it is not our final resting place, any more than the garden was intended to be our final resting place. It is an "intermediate" state. We are still to exercise dominion over the earth. Like the garden was before the Fall, heaven is a place which, like the garden was before the Fall, is essentially unfulfilled. Men in heaven are separated from their eternal bodies (I Cor. 15:35–55). They cry out constantly: "How long, O Lord, holy and true, dost thou not judge and avenge our blood on them that dwell on the earth?" (Rev. 6:10). The focus of their concern, even in heaven, is the earth. It is to be our concern as well. *We are required to extend the paradise of heaven to the earth*. Heaven has replaced the paradise of the garden. Each was designed to be temporary. Our goal is heaven on earth, to be completed after the final judgment; we are to dwell in the New Heavens and New Earth (Rev. 21:1). Revelation 22:2 describes a developed paradise: the fulfilled city. Ours should be the same concern which was supposed to have been Adam's concern in the garden, the initial paradise. *The dominion covenant is eternal.*

Because of Adam's transgression, we are receiving our training in time and on a cursed earth. We are supposed to be improving our skills of dominion. We are working out the terms of the dominion covenant, but we labor under a curse. Our work has meaning, both now and in eternity. We will receive our rewards in heaven (I Cor. 3),[4] but these are not our sole and final rewards. Heaven's rewards are like military medals or the prizes of the athletic field (I Cor. 9:24;[5] Phil. 3:14[6]). They are things worth competing for, again and again, if long life permits. Heaven's rewards are a legitimate goal of human action.

3. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 5.

4. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 3.

5. *Ibid.*, ch. 12.

6. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 21.

But these rewards are the starting point, like Adam's successful classifying of the animals. Heaven's rewards are given in response to a preliminary task well done. They are our graduation diplomas, which we will receive on judgment day (Rev. 20). *Then we will go forth into the world to work*. Men and the created realm will at last find completion, ethically speaking, under the sovereignty of God. The curses on man, man's labors, and nature will be permanently removed (Rev. 22:3). With ethical perfection as the foundation, the creation will be subdued and cared for, throughout eternity. The battle with nature will be over at last. The labor over nature will never end.

9

THE MEANING OF OWNERSHIP

And the LORD God took the man, and put him into the garden of Eden to dress it and to keep it. And the LORD God commanded the man, saying, Of every tree of the garden thou mayest freely eat: But of the tree of the knowledge of good and evil, thou shalt not eat of it: for in the day that thou eatest thereof thou shalt surely die. And the LORD God said, It is not good that the man should be alone; I will make him an help meet for him.

GENESIS 2:15–18

The theocentric issue here is God's ownership of the creation. His ownership is an extension of His creation of the world. This, in turn, is an aspect of His *absolute sovereignty*: point one of the biblical covenant.[1] He owns everything because He made everything. Nothing exists that He did not make. "For by him were all things created, that are in heaven, and that are in earth, visible and invisible, whether they be thrones, or dominions, or principalities, or powers: all things were created by him, and for him: And he is before all things, and by him all things consist" (Col. 1:16–17). He therefore possesses the legal authority and metaphysical power to exclude every created thing from access to any aspect of the creation: *boundaries*, point three of the biblical covenant.[2] He has the right to enforce these boundaries by threat of violence: *sanctions*, point four.[3]

God had established original legal title to the creation by creating it. He altered the environment by adding to it, day by day. The proof

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

2. Sutton, ch. 3; North, ch. 3.

3. Sutton, ch. 4; North, ch. 4.

of His legal claim of ownership was the very existence of the environment. He worked His claim for six days. Then he leased it to Adam and Adam's heirs. The lease agreement had specific stipulations. It also had an initial zone of testing: the garden.

A. Inclusion and Exclusion

God delegated subordinate ownership by this declaration to Adam. He told Adam that Adam possessed the right to use any tree of the garden for his own personal use. He included Adam in His own heritage. This heritage included the tree of life. But one tree was off limits: the tree of the knowledge of good and evil. If Adam ate of this tree, God warned, he would die. This is the ultimate negative sanction. The full extent of its negativity was not revealed until the ministry of Jesus, who announced the doctrine of hell (Luke 16) and the doctrine of the final bodily resurrection from the dead, followed by the eternal lake of fire (Rev. 20:14–15).

God had the right of exclusion. By this, I mean the moral authority, the legal authority, and the physical ability to exclude others from the use of designated property. Put another way, there was no higher authority to appeal to who would or could intervene on behalf of the excluded person. The Owner had the right to lay down the law.

The law of exclusion accompanies the law of inclusion. The owner possesses the authority to use the property as he sees fit. God possesses this absolute authority because of His office as Creator. He therefore had the authority to transfer to Adam the right to eat from every tree of the garden. He created Adam and placed him inside the boundaries of the garden. He thereby included Adam. He did so as Adam's master. Adam had lawful access to the trees of the garden as God's representative agent: *hierarchy*, point two of the biblical covenant.[4]

So, Adam was included in the garden, but only on the basis of his subordination to God. The mark of this subordination was God's declared boundary around the tree of the knowledge of good and evil. Adam had lawful access to every tree but one. His lawful access to everything minus one was dependent on his non-access to that one exception.

Adam's obedience to God was defined in two ways. One was positive: to keep and dress the garden. The other was negative: his refusal

4. Sutton, ch. 2; North, ch. 2.

to eat from the forbidden tree until instructed otherwise by God. To defend the garden meant that he possessed God-designated authority to exclude or include any other creature. God would support him in this task. In what way? As the final Judge. This is what God did with the serpent. When Eve refused to exclude the serpent, and Adam refused to intervene to exclude it, God returned and pronounced judgment on the serpent. The mark of their joint rebellion—Eve, Adam, and the serpent—was the violation of the boundary around the designated tree.

B. Inheritance

God did not inform Adam of the existence of God's grace. After the sin of man, God showed His grace to Adam and Eve by not executing them. He granted a promise to Eve. "And I will put enmity between thee and the woman, and between thy seed and her seed; it shall bruise thy head, and thou shalt bruise his heel. Unto the woman he said, I will greatly multiply thy sorrow and thy conception; in sorrow thou shalt bring forth children; and thy desire shall be to thy husband, and he shall rule over thee" (Gen. 3:15–16). This was a promise of *inheritance*: point five of the biblical covenant.[5] This was not clear to Adam in God's original establishment of the boundary around the tree.

God also extended His boundary of exclusion. He set an angel with a flaming sword at the entry into the garden. This made the tree of life off-limits.

> And the Lord God said, Behold, the man is become as one of us, to know good and evil: and now, lest he put forth his hand, and take also of the tree of life, and eat, and live for ever: Therefore the Lord God sent him forth from the garden of Eden, to till the ground from whence he was taken. So he drove out the man; and he placed at the east of the garden of Eden Cherubim, and a flaming sword which turned every way, to keep the way of the tree of life (Gen. 3:22–24).

The tree of life had not been excluded before man's Fall. Adam and Eve could have attained eternal life by going to the tree of life at any time and eating from it. They could have done this immediately. They refused. The lure of the forbidden tree was too great. To be as God: that was the thing! To gain access to forbidden knowledge: that was the thing! They did not believe that God really would impose the sanction of death on them.

5. Sutton, ch. 5; North, ch. 5.

Instead of going immediately to the tree of life, they sowed fig leaves for themselves. God was temporarily absent. He was not present to defend the tree of life. It seemed as though they might be able to thwart God's threat of death. All they needed to do was make a run for the tree of life. But God knew them well. They would waste precious time sowing coverings for themselves. They would work to overcome their own shame.

After God covered them with animal skins and expelled them from the garden, He extended the boundary of exclusion. He knew that men would seek to attain eternal life on their own authority. They would return to the scene of the crime. They would attempt to gain access to the tree of life, eating their way out of the death sentence that God had announced: "In the sweat of thy face shalt thou eat bread, till thou return unto the ground; for out of it wast thou taken: for dust thou art, and unto dust shalt thou return" (Gen. 3:19). God took away what He had granted in His grace on Adam's first partial day of life. The Lord gave, and the Lord took away. Blessed be the name of the Lord (Job 1:21).

There would be life extension: time to bear children. There was also a boundary placed on life extension: death. The symbol of this boundary was the angel's sword. There was grace in life extension, yet also curses: the woman's pain in childbirth, the man's burdened labor, and the expectation of death. There was also grace in their exclusion from the garden: no access to the tree of life, which would not have removed their sin, only their curse of physical death. They would henceforth not be able to imprison themselves in the bondage of sin forever. As God would reveal later, there is deliverance from the bondage of sin through a substitutionary atonement.

C. Property Management

What God did with the forbidden tree, Adam was to have done with the garden. God placed a barrier of ownership around it. Adam was to defend this boundary. He refused. He did not exclude the serpent or kill it. Because of Adam's sin, God placed a barrier around the garden. He sent Adam into the newly cursed wilderness. But, in sending Adam out into the world, God gave Adam a huge boundary: the entire world, except for the garden. God had limited Adam's initial assignment: to dress and defend the garden. After man's sin, God vastly extended Adam's area of responsibility: the whole world.

This had been God's plan from the beginning: to subdue the

whole earth (Gen. 1:28). Adam was given a limited area of responsibility initially: the garden. He was given time to test his skills of management. Because of his premature grabbing of the robes of authority—eating from a tree to make him like God—God tossed him out of the garden. His zone of responsibility was extended in one day. He would henceforth gain on-the-job training in a world brought under the curse imposed on Adam.

Adam would now have to manage property. He had a model: his initial experience in the garden. God had limited Adam's initial zone of responsibility. This limited zone was marked by two boundaries: the garden and the tree. Adam was to protect this enclosed area from invaders. He was to improve it. Only after he had gained skills of administration was he to expend his zone of responsibility. God had thrust him out prematurely, because Adam had grabbed the robes of authority prematurely. He had stolen God's property. God removed him from God's other property as a punishment, but also as a blessing: greater responsibility. *For covenant-keepers, extending one's zone of responsibility is a blessing.* It is a mark of maturity.

The pattern of ownership is found the garden: responsibility, work, protection/defense, and expansion. We are to secure our legal claim to property by *working the claim*, in the language of mining in the American West during the gold rush era of the mid-nineteenth century. A miner proved his claim to the authorities by identifying the signs of the extraction of dirt or some other alteration of the land related to the extraction of ore. He could not lay claim—establish legal title—merely by saying that a large tract of land belonged to him. He had to be able to point to a changed environment that his labor or capital had effected.

By establishing an original legal claim, an environment-transforming laborer establishes his right to exclude others from the property inside specified legal boundaries. He establishes a right to future extraction. This legal claim extends through time. Adam possessed such a title in the garden. He forfeited this title when he violated the Owner's property line.

As a delegated owner, Adam was to extend his authority over an ever-wider area of responsibility. Through his children, he was to extend his authority. They would extend dominion under his fatherhood, just as he extended dominion under God's fatherhood. They would conquer in Adam's name, just as Adam was to have conquered in God's name. *But the conquest was to be based on labor inside a bound-*

ary of responsibility. The marks of this boundary were the marks of land transformation. He was to alter the land. This meant that he was given authority by God to alter the land. The limits of his ownership were established by the limits of his ability to transform the land's value by altering the physical environment.

This is land management. The same principle of property management applies to the products of land and labor over time: *capital*. The individual establishes ownership by changing the environment in a physically measurable way. God had declared, "Let there be," and there was. Physical nature responded to God's word. Man is not God. His fiat word—"let there be"—does not change the environment. He does not establish ownership by mere declaration. He must alter the physical environment in order to establish an original property right.

D. Transfer of Ownership

God transferred ownership to Adam. In doing this, He transferred responsibility. Adam would henceforth have to manage the property on God's behalf.

This transfer of property became biologically mandatory for Adam after the Fall. God cursed mankind with death. Each person is eventually removed from the scene. This mandates the transfer of ownership. A dead man cannot exercise responsible authority over the property. So, he must establish the legal terms of this transfer before he dies. If he refuses to do this, then society does it through custom or civil law. The state enforces some terms of property transfer. The boundaries of the property are marked by responsibility. *There are no boundaries without responsibility*. Stewardship under God's ultimate ownership is inescapable.

The owner can legally transfer the property before he dies. He can divest himself of the responsibilities associated with ownership. Attached to every piece of property are liabilities. Stewardship of God's property is inescapable. There is no way to separate stewardship from ownership. *There is no way to make property autonomous*. Property is inescapably accompanied by legal responsibility. God enforces this arrangement.

Conclusion

God put Adam in the garden. He included Adam. He placed the tree of the knowledge of good and evil in the garden. He excluded Adam

from this tree. God, as the cosmic Owner, includes and excludes all those under His authority. He has the original property right. The twin marks of this right are inclusion and exclusion.

Man is made in God's image. He possesses property rights as a steward under God. He represents God. He verifies a property right by altering previously unoccupied and unowned land. He adds labor to this land, altering it further. He maintains his property through labor. He becomes responsible for it. If he does not defend it and improve it, God transfers ownership to others. Man's mortality guarantees such a transfer.

10

THE GOD-DESIGNED HARMONY OF INTERESTS

And the Lord God said, It is not good that the man should be alone; I will make him an help meet for him. And out of the ground the Lord God formed every beast of the field, and every fowl of the air; and brought them unto Adam to see what he would call them: and whatsoever Adam called every living creature, that was the name thereof. And Adam gave names to all cattle, and to the fowl of the air, and to every beast of the field; but for Adam there was not found an help meet for him. And the Lord God caused a deep sleep to fall upon Adam and he slept: and he took one of his ribs, and closed up the flesh instead thereof; And the rib, which the Lord God had taken from man, made he a woman, and brought her unto the man. And Adam said, This is now bone of my bones, and flesh of my flesh: she shall be called Woman, because she was taken out of Man.

GENESIS 2:18–23

A. Marriage and Labor

The theocentric principle here is God's positive sanction of marriage. It followed the original assignment of work. First, men are supposed to work. Then they are to get married. God announced that Adam needed a helper fit for him. This is what the King James English means: *help meet*. Immediately after announcing that this is what Adam needed, God gave Adam a second assignment. Not only was Adam to dress and keep the garden, he had to name the animals of the garden.

God brought the animals to Adam for him to name. This was a huge task. We are not told how long it took. There are a lot of animals in a garden, especially if we consider insects. Adam was not simply to name them to make them pass. He was not to name one animal Joe and another animal Fred. By *naming* something, Adam was *defining* it. He was assessing its role. In other words, he was classifying the animals.

The animals came in male-female pairs. In contrast, there was no woman for Adam. Adam was reminded, species by species, that he was alone. Each of the animals was a functioning male-female unit. Mankind was not. God used this exercise to teach Adam about the need for a male-female unit. This task was not peripheral to his life. It was part of a training program that would help him in leading a family.

First, God said that Adam needed a helper. Second, God assigned Adam the task of naming the animals. Third, God again announced that Adam was in need of a helper. There was a sequence to this revelation. Not until Adam had completed the task of naming the animals did God provide a helper for him. This means that *Adam's work came before Adam's wife*. The implications of this position are crucial for a proper understanding of mankind.

Even before Adam was created, God announced that male and female human beings would serve as his agents in history. They would serve as stewards of his property. They would exercise dominion over the entire earth (Gen. 1:26).[1] This was a family project. But in the sequence of establishing man's dominion, God did not initially give Adam a wife. The other creatures did have male-female pairs. The human race did not. There was no functioning division of labor for Adam in naming the animals. He had to do it by himself. He had no assistant. He saw that the animals were functioning male-female units, but the human race was not.

B. The Head of the Household

There has to be a head of the household. This person represents the family and its members before God. He represents God to members of his family. Adam was the head of the initial household, which is obvious when we consider that there was no other member of the household. Adam completed the initial task, which was an aspect of dressing and guarding the garden. He had his work cut out for him.

Adam knew from the beginning that the human race was different from the other animals. He completed his initial task by himself. The other animals were pairs from the beginning. He was going to be in a position of leadership in the family. His wife would be given to him in terms of his need for an assistant. He would be primary; she would be secondary. She would be *functionally subordinate* to him. This did not mean that she would be ethically inferior.

1. Chapter 3.

Paul says that Eve sinned through ignorance, while Adam sinned knowingly. “For Adam was first formed, then Eve. And Adam was not deceived, but the woman being deceived was in the transgression” (I Tim. 2:13–14). This was a fundamental sexual distinction in the Fall of mankind.

Eve was given to Adam as an assistant. She was part of the dominion process, but she had a subordinate role to play. Adam was primary, because Adam had primary responsibility before God. God spoke to Adam. He did not speak to Eve until after the Fall. Adam had already completed work before he was given a wife. The wife was to serve him as his helper.

When we recognize that *the purpose of marriage is to extend the kingdom of God in history*, we begin to understand the primary meaning of marriage. It was not simply procreation. The animals procreated; Adam named the animals before he was given a wife. The human race was different from the animals.

There is a *hierarchy of decision-making in the human race* that does not exist to a comparable degree among the animals. There is a division of labor among the animals, but the idea of a masculine-dominated division of labor, in which the wife supports the man and makes his work more efficient, is not universal among animals.

Even when the wife is the primary wage-earner, she remains functionally subordinate to her husband. *He holds this office by a judicial grant from God*. He does not hold on the basis of the amount of money he earns in relation to the amount of money she earns. He is the head of the household by God’s decree, not by his earning power.

In most situations, the husband is the primary wage-earner. He earns more money than his wife does, and he is in the labor force longer than his wife is. The wife must take time out to spend with the children. The husband, by the original task given to him, must concentrate on his work.

When a man marries for reasons other than to get support and assistance from a wife who will be committed to him and therefore to his work, he disrupts the marital pattern which began in Eden. Adam had to work in order to be ready for a wife. His wife was given to him only after he had completed his initial task. He had received his assignment from God. He was to dress and keep the garden. Then he had been given a secondary task: to classify the animals. He knew what he was supposed to do before he was given a wife who would help him achieve his goals. Her goals would be subordinate to his goals.

Eve had no say in the matter, because she was created specifically to serve her husband. But women in general are to follow her pattern. They must see their marital tasks as assisting their husbands.

C. Extending God's Kingdom in History

Adam had demonstrated his competence by naming the animals, his first completed assignment. He had begun to work out the commandments of God. By engaging in specific labor, he had begun to extend his control over the creation, thereby beginning the historical fulfillment of his own nature. He was asserting his legitimate, subordinate sovereignty over the creation. Only after he had demonstrated skills in his calling was he provided with a wife. The husband's calling is therefore basic to marriage. It is supposed to be *antecedent* to marriage.

This point cannot be overstressed. The animals were simultaneously created male and female from the beginning. Sexual reproduction and the multiplication of each kind's numbers were the product of the male-female division. But Adam was created before the woman. The assignment of cultural dominion was given to a representative head of the family of man, even before there was an historically existing family. *The heart of man's being is not his sexuality; it is his calling before God*. He is fundamentally different from the animals. Where sexuality is made the foundation of marriage, rather than calling, cultural development will be retarded. The male-female relationship, in the case of mankind, is not based on the fact of biological reproduction; it is not, in some evolutionary sense, the product of competitive biological pairings of previously existing species. Animals and humans are to multiply (Gen. 1:22, 28); man is uniquely assigned the tasks of dominion. The male-female relationship among human beings is based on the prior planning of God and His specific call to the first man, Adam. God called Adam to a series of tasks; only when he had completed one assignment did God present him with his wife and assistant, Eve. Marriage was originally intended to be grounded in the dominion covenant, not in the mutual attraction of men and women, and not even on the need of human beings to reproduce. *Marriage is intended to be subordinate to the dominion covenant*. Marriage finds its purpose within the dominion covenant. This is the distinguishing feature of human sexual pairings, in comparison to animal pairings.

Marriage has numerous subordinate purposes: the lawful extension of the race, mutual comfort, personal development of its members, the provision of cultural stability, social welfare functions (in-

cluding education), sexual fulfillment, and capital accumulation. Nevertheless, the Genesis account gives us the central focus of marriage: *the division of labor*. Eve was provided as "an help meet" for Adam, meaning *an assistant specially designed to complement his skills*. God designed Eve to fit Adam's needs in his tasks of dominion. This means that God assumed that the harmony of human interests is compatible with, and inescapable from, the *hierarchy of the creation order* (I Cor. 11).[2] God is sovereign over all things; man is under God and sovereign over his wife (and children); the family of man is sovereign over the creation. Prior to the Fall of man, this hierarchy was in no way contradictory to the ultimate harmony of interests in the creation. Adam's very nature as a creature required the presence of a subordinate assistant; without her, his tasks, and therefore his very being, could not be fulfilled. As Paul put it: "For the man is not of the woman; but the woman of the man. Neither was the man created for the woman; but the woman for the man" (I Cor. 11:8–9). But there is unity as well as hierarchy: "Nevertheless neither is the man without the woman, neither the woman without the man, in the Lord. For as the woman is of the man, even so is the man also by the woman; but all things of God" (I Cor. 11:11–12). A *mutuality of dependence* biologically and especially in terms of the division of labor, is affirmed by Paul. It is significant that Paul's comments appear within his discussion of the division of labor within the church (I Cor. 11–12).[3]

The hierarchy of authority in the creation cannot be evaded. There can never be anything approaching total equality. The *ideology of equality* is inevitably nothing more than the substitution of *a different form of inequality* for an existing one. Consider the lure of equality given to Eve by the serpent. "Ye shall be as gods, knowing [determining] good and evil" (Gen. 3:5b). Yet this was not what the serpent believed. By promising them equality before God, the serpent was asking them to worship him as superior to God. After all, whose word was truly authoritative? Was it not the serpent's? They should disobey the explicit command of a sovereign God, confident that they would be protected from death by the sovereign word of the serpent. They would then become *ethically subordinate to Satan*.

It is instructive to observe the response of Adam and Eve to God's questions. God came first to Adam, whom He had placed in authority

2. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 14.

3. *Ibid.*, ch. 15.

over the woman. Adam immediately blamed his wife. He had deferred to her authority in the matter of deciding whether or not to eat the forbidden fruit. He had been commanded to exercise authority over her, and with her, over the creation. Clearly his sin was to reverse the order of God's designed hierarchy in the name of achieving equality with God. Then God came to the woman. Why had she done such a thing? Immediately, she blamed the serpent. She, who was supposed to be a co-servant with her husband over all creation, had instead worshipped a part of the creation. She had accepted as sovereign the word of a creature—a rebellious creature at that. She had inverted the hierarchy. She had worshipped the serpent and then had asserted dominion over her husband. And when caught in their rebellion, both she and Adam had blamed the environment for their condition: Adam blamed the woman God had given to him; Eve blamed the serpent. God's environment, they seemed to argue, was in some way to blame for their condition. Though He had declared it perfect, it had nevertheless brought them to this disaster.[4] In the quest for equality, they had only affirmed an inverted pyramid of authority; seeking to be gods, they decided that they might safely test the word of the Creator.

A society that pursues equality as a goal will of necessity destroy the harmony of interests, for that harmony of interests was created within a framework of *hierarchy*. Women are designed to be functionally subordinate to men in marriage. This in no way implies that women are ethically inferior to men in marriage. *It is the error of egalitarian humanism to equate functional subordination and ethical inferiority*. Where there is a hierarchy of wealth, power, or knowledge, some humanist can be found who will call for the total reconstruction of society and the creation of an undefined social egalitarianism. The harmony of interests among men and women is assumed to be operable only where all signs of inequality are smashed. The Bible affirms the opposite. The harmony of interests throughout human society, and even the entire creation, can be attained only within a theocentric and hierarchical framework.

D. The Division of Labor

The division of labor is required by God for the effective extension by man of the dominion covenant. The first human couple provide archetypes of the division of labor system. *First*, they were both *fully*

4. R. J. Rushdoony, "The Society of Satan," *Christian Economics* (1964), reprinted in *Biblical Economics Today*, II (Oct./Nov. 1979).

human. As image-bearers of God, they had comparable goals and interests, compatible talents and responsibilities. This shared humanity made cooperation possible. *Second*, they were *inherently different*. These differences are by nature and design fully productive. Each had a different perspective, since each was a biologically separate creature with different tasks to fulfill within the hierarchy of responsibility. Eve was designed to fit Adam biologically and in terms of his tasks. The "biological fit" was less important than the "help fit for him," and far less important than the "biological fit" of females to males in other species. Eve was like a missing piece in a cosmic puzzle: the final piece that brought the potential for harmony and a sense of wholeness to the creation. (The next-to-last piece was Adam's naming of the animals.) Her innate difference complemented his gifts; together, they would more efficiently extend the dominion covenant. What he lacked, she provided, and vice versa.

The division of labor rests on two fundamental facts of nature. *First*, the *innate differences among human beings*. They have different desires, different skills, and different roles to play in the cosmic plan. *Second*, there are *differences of geography*. Different areas offer different raw materials, different weather patterns, and different problems to those who would extract wealth from the environment. Therefore, Adam and Eve were designed to be different. Cloning—the endless reproduction of identical members of a species through genetic manipulation—is hostile to the principle of the God-ordained division of labor. It limits the variety of a species within the created bounds placed on each "kind." Each man or woman is supposed to contribute unique efforts to the historical process of dominion. *The multiplicity of skills and contributions is to be ordered through competition and cooperation*. Each person is therefore a "help fit" for others, given the harmony of interests; the archetype of this God-designed fitting process is the creation of Eve.

Each person has specific personal obligations before God and society. There is a day of judgment (Rev. 20). Nevertheless, all men are told to cooperate. They have *collective responsibilities* in various social organizations precisely because of the *wholeness of God's original design*. This design fitted Eve to Adam, yet it preceded her creation in time. Human beings are *specifically designed to cooperate within the dominion covenant* (Gen. 1:26).[5] This design is not the product of planning human beings, nor is it the product of a randomly evolving universe.

5. Chapter 3.

E. Free Market or Collectivist Monopoly

The biblical doctrine of the harmony of interests is not the same as the version that has been used in the past by humanists in their defense of the free market. Actually, modern defenders of the market do not use such an argument, although socialists and Marxists sometimes attribute such an argument to them. A few economists of the nineteenth century, most notably the pamphleteer Frédéric Bastiat, argued along these lines, but not many economists have since then.[6] The willingness of free market economists to recognize the innate *dis*harmony of interests has led them to extol the benefits of the market as a system of coordination.

Wilhelm Röpke responded to the intellectual attacks on free market economists by those who would discredit market competition. Market economists in the tradition of nineteenth-century liberalism are not naive about the disharmony of interests, Röpke argued.

> Such attacks conveniently ignore the fact that it is the liberal economic philosophy which recognizes the latent disharmony between consumer and producer and which sees in competition the means of mitigating this disharmony and thus of safeguarding consumers' interests. Piquantly enough, the enemies of competition answer this argument by saying that it was liberalism, after all, which developed the doctrine of the harmony of economic interests. Thus we find the real advocates of disharmony engaging with high glee in the task of obstructing those who seek to mitigate the evil by ridiculing them as naive adherents of outworn doctrines of "harmony." *But our economic system can remain viable only if this disharmony is redressed by effective and continuous competition*.[7]

Röpke concerned himself with the problems of society, not just with the more narrow sphere of economics. He was convinced that it is naive and misleading to base one's defense of the market on the hypothetical ability of the market to cleanse itself of all fraud, monopoly, and coercion. He did not believe that the market economy is, in his words, "a self-dependent cosmos" or a truly "natural order."[8] Producers want the highest prices possible for their goods or services, while the buyers want the lowest prices. There is a *disharmony of interests* apart from the mediating influence of the competitive free market, he concluded. Beware of those seeking monopolistic power. But the

6. Cf. Joseph A. Schumpeter, *A History of Economic Analysis* (New York: Oxford University Press, 1954), p. 500. Most surveys of the history of economic thought, if they even mention the topic, devote most of their pages to a consideration of Bastiat.

7. Wilhelm Röpke, *Economics of the Free Society* (Chicago: Regnery, 1963), p. 69.

8. Wilhelm Röpke, *Civitas Humana* (London: Hodge, 1948), p. 49.

easiest way to achieve monopoly, he knew, is to gain the assistance of the civil government. If you wish to release the underlying disharmony of interests, he said, all you need to do is unleash the monopolistic powers of the civil government.

What he described as the enemy of the harmony of interests—the enemy of a market-produced, competition-produced harmony of interests—is precisely the statist system that has been constructed by those who ridicule the market's form of competition and the idea of a competition-produced harmony of interests. They say that they want to produce true harmony by means of state intervention into the economy. What, in fact, does such intervention produce in the real world? The twentieth century witnessed such intervention firsthand.

> An economic system where each group entrenches itself more and more in a monopolist stronghold, abusing the power of the state for its special purposes, where prices and wages lose their mobility except in an upward direction, where no one wants to adhere to the reliable rules of the market any more, and where consequently nobody knows any longer whether tomorrow a new whim of the legislation will not upset all calculations, an economic system in which everyone wants to live exclusively at the expense of the community and in which the state's budget finally comes to devour half the national income: a system of this kind is not only bound to become unprofitable and thus bound to intensify the scramble for the reduced total profit, but it will moreover in the end suffer a complete breakdown. This is usually called the crisis of capitalism and is used as an occasion for new and revolutionary interventions which complete the ruin and corruption and finally present us with the inexorable choice of either returning to a reasonable and ethical market system or of plunging into the collectivist adventure.[9]

What happens to us if we make the wrong choice? Do we find that we have been successful in reducing the disharmony of interests under collectivism? Will we at last find our harmony of interests?

> On the contrary, there they conflict even more violently than ever before, laboriously and for an uncertain period curbed by the authority of the state, within which the struggle for power and influence fluctuates by means of bribery, intrigues and executions. It is obvious that a question of ethics cannot be solved mechanically by a change of organization, and if society, the state, legislation, the courts and politics have so far been unable to make the competitive system work, why should we believe that they will be able to cope with the infinitely more difficult task of a collectivist system?[10]

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9. Wilhelm Röpke, *The Social Crisis of Our Time* (London: Hodge, [1942] 1950), p. 130.
10. *Idem.*

Will we find the harmonization of interests under collectivism? F. A. Hayek provided some answers in "Why the Worst Get on Top," a chapter in his *The Road to Serfdom* (1944). One answer is that there will be few opportunities to harmonize human interests, precisely because control of the scarce economic resources available to members of the society must be lodged at the very top of the hierarchy. The least-common-denominator principle reigns, since it is impossible for a political organization to integrate the hopes and plans of large numbers of people, especially people whose educations have provided them with widely divergent tastes, plans, and goals.[11] The party must appeal to the primitive instincts held by the masses—especially negative instincts, such as vengeance against a hated minority.[12]

> Once you admit that the individual is merely a means to serve the ends of the higher entity called society or the nation, most of these features of totalitarian regimes which horrify us follow of necessity. From the collectivist standpoint intolerance and brutal suppression of dissent, the complete disregard of the life and happiness of the individual, are essential and unavoidable consequences of the basic premise, and the collectivist can admit this and at the same time claim that his system is superior to the one in which the 'selfish' interests of the individual are allowed to obstruct the full realization of the ends the community pursues.[13]

What kind of person functions well in such a regime? Not the person who is best suited to production within a competitive free market. Or certainly not with the same outcome of his actions, even if the same person could perform well under both systems. The restraining hand of market competition—open entry for his rivals to meet the needs of customers—is now strictly political in nature. And in a centralized regime, this is not much restraint.

> To be a useful assistant in the running of a totalitarian state, it is not enough that a man should be prepared to accept specious justification of vile deeds; he must himself be prepared actively to break every moral rule he has ever known if this seems necessary to achieve the end set for him. Since it is the supreme leader who alone determines the ends, his instruments must have no moral convictions of their own. They must, above all, be unreservedly committed to the person of the leader; but next to this most important thing is that they should be completely unprincipled and literally capable of anything. They must have no ideals of their own which

11. F. A. Hayek, *The Road to Serfdom* (Chicago: University of Chicago Press, 1944), p. 138.
12. *Ibid.*, p. 139.
13. *Ibid.*, p. 149.

> they want to realize; no ideas about right and wrong which might interfere with the intentions of the leader.[14]

The more powerful the state, and the more concentrated the control of economic resources available to state administrators, the more opportunities there are for economic control through monopolistic economic manipulation. So, the more ruthless people will be those who satisfy their quest for power. The bigger the stakes, the more likely that least moral, most unscrupulous people will claw their way to the top. Why, then, should we expect to see the flourishing of the harmony of interests in a socialistic society in which central power is enormously strengthened by the fact that the administration of scarce economic resources is monopolized through public ownership of the means of production? Why should we expect to see the peacemakers succeed in attaining supremacy in a political order in which the quest for total power is the obvious inducement to enter the political process?

Conclusion

The harmony of interests is unquestionably a biblical standard. It is that social standard that existed in Eden, exists for the institutional church (I Cor. 12:12–17),[15] exists now in heaven, and shall exist in the New Heavens and New Earth (Isa. 65:17–25).[16] The entrance of sin into the world disrupted this world, but God has provided institutions that restrain such disharmony. The free market is one of these institutional arrangements that promote cooperation, even among those who do not agree on first principles. Class warfare, which is the ideological foundation of Marxism and the modern trade union movement, is foreign to biblical standards of morality. All things are reconciled in Christ (Col. 1:20; Eph. 2:11–16; James 2:1–9), including the supposed eternal struggle between classes.

The opening words of Marx's *Communist Manifesto* (1848) are familiar to most students of the history of socialism: "The history of all hitherto existing society is the history of the class struggles."[17] Marx never did succeed in defining just what a class is. He never completed

14. *Ibid.*, pp. 150–1.

15. North, *Judgment and Dominion*, ch. 15.

16. Gary North, *Restoration and Dominion: An Economic Commentary on the Prophets* (Dallas, Georgia: Point Five Press, 2012), ch. 16.

17. Karl Marx and Frederick Engels, *Manifesto of the Communist Party* (1848), in *Marx-Engels Selected Works* (Moscow: Foreign Languages Publishing House, 1962), I, p. 34.

the third volume of *Das Kapital*, the last three paragraphs of which are devoted to the consideration of this crucial topic: "What constitutes a class?"[18] But even if he had succeeded in accurately defining "class," within the framework of his own work, he would have been incorrect. The history of all societies is not class warfare, but *ethical warfare against a sovereign God*, and the working out of men's salvation and damnation over time. The history of mankind is the history of the extension of the dominion covenant. *History is theocentric, not humanistic*. Bloody warfare of man against man began with Cain and Abel; the origin of such warfare is man's ethical rebellion against God. As James put it: "From whence come wars and fightings among you? Come they not hence, even of the lusts that war in your members?" (James 4:1).

Redemption eventually will triumph over rebellion, and the harmony of interests shall be restored. It is man's task to extend the kingdom of God on earth, and to begin to reduce the effects of the sin-based disharmony of interests. This extension of God's kingdom serves as the down payment (earnest) of that future and final restoration of the full harmony of interests. Until then, all that we can hope to accomplish is to minimize the disharmony of interests by extending the rule of biblical law, which provides the social framework of the harmony of interests.[19]

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18. Marx, *Capital: A Critique of Political Economy* (Chicago: Charles H. Kerr & Co. Co-operative, 1909), III, *The Process of Capitalist Production as a Whole*, p. 1031.

19. It is important to understand that the division of labor within the family was designed to extend men's dominion over nature. The family unit was to be broken with each generation, even before the Fall of man. Speaking of marriage, Adam said: "Therefore shall a man leave his father and his mother, and shall cleave unto his wife: and they shall be one flesh" (Gen. 2:24). The harmony of the family before the Fall was never to be intended to keep sons and daughters in the same immediate household. They were to leave, to bring the whole earth under dominion. After the Fall this pattern became even more important for the preservation of both harmony and dominion. In the mid-seventeenth century, the Massachusetts town of Sudbury was split between the older generation, which wanted to control access to common lands in the town, and younger men, who wanted freedom. Eventually, the younger men simply walked out of town, moved a few miles away, and established the town of Marlborough. This was the dominion aspect of the nuclear family in action. (See Sumner Chilton Powell, *Puritan Village: The Formation of a New England Town* [Middletown, Connecticut: Wesleyan University Press, 1963]). Isaac did not live with Abraham; Jacob did not live with Isaac. The so-called nuclear family of the Christian West is the biblical standard. The hierarchical patriarchy of Central European cultures, where sons remain under the immediate jurisdiction of the father, or grandfather, even to the point of dwelling under the same roof, is a non-biblical alternative to the nuclear family—an alternative that reduces harmony and geographical dominion. It is the nuclear family, not the clan order of classical civilization and other cultures, which is sociologically normative. It is

The free market is, in the realm of economics, the most important institutional arrangement that has resulted from the application of biblical law to society. This is why we must affirm that *free market economics is biblical economics*, and why all forms of socialism or collectivism are the products of anti-biblical economics. This is why the free market order is an important institutional means of reducing the disharmony of interests by encouraging people voluntarily to *mesh their individual plans* by means of private property, freely fluctuating prices, and profit-and-loss statements.

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also interesting to note that when immigrants from Central European cultures settle in Western Europe or North America, the patriarchal family orders are abandoned within a generation or two. They simply cannot compete with the biblical family pattern. Young men who are not compelled to put up with patriarchal authoritarianism choose the nuclear family. And on this point, their wives are in total agreement. They prefer to be subordinate to one man, not two, plus another woman. It is difficult to serve two (or more) masters. The nuclear family provides maximum harmony.

11

COSTS, CHOICES, AND TESTS

And when the woman saw that the tree was good for food, and that it was pleasant to the eyes, and a tree to be desired to make one wise, she took of the fruit thereof, and did eat, and gave also unto her husband with her; and he did eat.

GENESIS 3:6

The theocentric principle here is ethics: point three of the biblical covenant.[1]

A. Eve's Assumptions

Eve had already made a series of crucial assumptions about the nature of reality before she offered the fruit to her husband. She had already renounced the system of interpretation that God had given to her husband. God's revelation of Himself and the creation no longer impressed Adam and Eve. They decided to test the validity of God's word against the validity of the serpent's. In fact, they had already decided that God's revelation could not possibly be true, since He said that His word is true, and that they would be punished for sure if they ate of the tree. God had revealed an all-or-nothing universe, for it did not permit them the option of eating the fruit without punishment. They concluded that this all-or-nothing proposition could not possibly be true, for if it were true, they would surely perish. By affirming the hypothetical possibility that they might not perish, they were simultaneously affirming that God's denial of such a possibility had to be false. There was simply no possibility that they could eat

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 3; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 3.

of the fruit and retain the status quo ante. Everything would change. They hoped things would change for the better. They miscalculated. Eve was deceived. Adam was self-conscious. "And Adam was not deceived, but the woman being deceived was in the transgression" (I Tim. 2:14).

This was the sin of pretended autonomy. Van Til described the epistemological implications of this better than anyone else.

> When Satan tempted Adam and Eve in paradise he sought to make them believe that man's self-consciousness was ultimate rather than derivative and God-dependent. He argued, as it were, that it was of the nature of self-consciousness to make itself the final reference point of all predication. He argued, as it were, that God had no control over all that might come forth in the process of time. That is to say, he argued, in effect, that as any form of self-consciousness must assume its own ultimacy, so it must also admit its own limitation in the fact that much that happens is under no control at all. Thus Satan argued, as it were, that man's consciousness of time and of time's products in history, is, if intelligible at all, intelligible in some measure independently of God.[2]

This is the essence of all modern humanism. It is basic to economic theory, and has been ever since the late seventeenth century.[3] Van Til elaborated:

> Adam and Eve were true theists at the first. They took God's interpretation of themselves and of the animals for granted as the true interpretation. Then came the tempter. He presented to Eve another, that is, an antitheistic theory of reality, and asked her to be the judge as to which was the more reasonable for her to accept. And the acceptance of this position of judge constituted the fall of man. That acceptance put the mind of man on an equality with the mind of God. That acceptance also put the mind of the devil on an equality with God. Before Eve could listen to the tempter she had to take for granted that the devil was perhaps a person who knew as much about reality as God knew about it. Before Eve could listen to the tempter, she had to take it for granted that she herself might be such an one as to make it reasonable for her to make a final decision between claims and counter-claims that involved the entire future of her existence. That is, Eve was obliged to postulate an ultimate epistemological pluralism and contingency before she could even proceed to consider the proposition made to her by the devil. Or, otherwise expressed, Eve was compelled to assume the equal ultimacy of the minds of God, of the devil,

2. Cornelius Van Til, *The Defense of the Faith*, 4th ed. (Phillipsburg, New Jersey: P & R, [1955] 2008), p. 115.

3. William Letwin, *The Origins of Scientific Economics* (Cambridge, Massachusetts: MIT Press, 1963).

> and of herself. And this surely excluded the exclusive ultimacy of God. This therefore was a denial of God's absoluteness epistemologically. Thus neutrality was based upon negation. Neutrality is negation.
>
> This negation was bound to issue in a new affirmation of the supremacy of the human mind over the divine mind. Eve did not ask God, let alone her husband, to decide the issue placed before her. When there are claims and counter-claims someone must assume the role of absolute ultimacy. Eve was definitely placed before an "either or" alternative. Of course she would have denied this if you had told her so at the time. She would have resented being placed before any such alternative. She naturally thought that the issue was not irrevocable, but that she could experiment with the Satanic attitude for a while, and if it did not seem to work she could turn back to her old position of theism again. She thought that evil or sin was at the worst a stepping-stone to higher things, and that she could do all the stepping herself. In all this she was quite wrong. Whether she liked it or not she was, as a matter of fact, standing before an exclusive alternative. Only an action proceeding from the bosom of the eternal could place her on the right track again. It was God who had to reinterpret her deed and place it in its true setting in the universe. And this reinterpretation by God was a reversal of the interpretation given by man. Man had to be brought back to God. This in itself is proof sufficient that the decision on the part of man was antitheistic and not merely nontheistic.[4]

B. Subjective Value

All value is subjective, meaning personal. This does not mean that no value is ever objective. When we speak of subjective valuation, we simply mean "economic valuation made by a person." God is a personal being. He imputed value to His creation, calling it good, thereby confirming the goodness of His handiwork. The creation was not good in itself, meaning autonomously good or intrinsically good, irrespective of God's work and evaluation.[5] God, not the creation, is sovereign. His word is determinative.

Man, as the image-bearer of God, also imputes value to the creation. He can impute value to the word of God itself. Man determines for himself the value of the choices he must make. This does not make his choices objectively correct. He can and does deviate from God's standards of value. God, being omniscient, knows exactly how much a person should give up in order to gain some item or achieve some goal. Men, being rebellious and unwilling to adhere to the law of

4. Cornelius Van Til, *A Survey of Christian Epistemology*, vol. 2 of *In Defense of Biblical Christianity* (Phillipsburg, New Jersey: Presbyterian and Reformed, 1969), ch. 2, Pt. 1: "Neutrality."

5. Chapter 5.

God, frequently pay too much or try to pay too little for the things they pursue in life. They are unable to impute value according to the warning given by Jesus: "For what shall it profit a man, if he shall gain the whole world, and lose his own soul?" (Mark 8:36).[6] If they cannot correctly valuate this key transaction in terms of its cost-effectiveness, how can they make accurate judgments concerning the true value of any other transaction? Yet they are required by God to do so.

Man imputes value to anything in terms of *a hierarchy of values*. He makes choices in terms of this set of priorities. Is it worth giving up *this* in order to attain *that*? It depends upon one's value scale. This value scale is constantly shifting, because tastes change, external conditions change, and men's first principles sometimes change. *Every value scale is connected to some concept of authority*. *This* is preferred to *that* because of the perceived correctness of one's value scale. The very idea of *correctness* implies the concept of *authority*. So, man makes his choices within the framework of some sort of authority structure. Choice requires basic standards of preference, and standards imply authority, meaning a source of ultimate sovereignty. Man never finds himself in a position of choosing in terms of one authority or no authority; it is always a question of *which* authority. Rushdoony stated this forcefully: "For a man to live successfully, he must have an ultimate standing ground; *every philosophy is authoritarian*, in that, while it may attack savagely all other doctrines of authority, it does so from the vantage point of a new authority. This new authority is a basic pretheoretical presupposition which is in totality religious and which rests on a particular concept of infallibility. Every man has his platform from which he speaks. To affirm that foundation without qualification is an inescapable requirement of human thought."[7]

Adam and Eve made a religious decision. For Adam, who was probably standing with Eve throughout the discussion as Genesis 3:6 makes clear, it involved the decision not to exercise marital leadership, not to step in and interrupt the proceedings; his wife made the initial decision, and he followed her lead.

Their decision was also an economic decision. It involved: a choice between two alternatives (eating vs. not eating); an assessment of expected future returns (tasty meal vs. numerous other possible tasty

6. Gary North, *Trust and Dominion: An Economic Commentary on Mark and John* (Dallas, Georgia: Point Five Press, 2012), ch. 11.

7. R. J. Rushdoony, *Infallibility: An Inescapable Concept* (Vallecito, California: Ross House Books, 1978), p. 4. Reprinted in Rushdoony, *Systematic Theology*, 2 vols. (Vallecito, California: Ross House Books, 1994), I, pp. 3–4.

meals); an assessment of time requirements (instant special knowledge vs. conventional accumulated knowledge over time); and an evaluation of expected future costs (death vs. burdens of newly attained special knowledge). Obviously, they bore extremely heavy risks; in fact, they bore absolutely certain penalties. It was a no-win decision, unless God's grace might intervene to give them life. They did not accurately assess the true extent of these risks, because they did not impute absolute infallibility to God's word. In fact, they valued God's word so little that they defied Him and ate. This indicates that they must have assumed that their risk was almost infinitesimal, for with the threatened penalty so awful, they must have radically discounted the possibility of that penalty's being imposed.

Eve valued the risk inversely to her valuation of the serpent's word: trusting his word, she discounted the risk while overestimating his promise that they would become as gods. In other words, *she made a disastrous error in forecasting*. She estimated the future cost of eating as being far lower than God had said, and she then made a terrible choice. She, Adam, and their heirs have paid the price ever since. Only because of God's common grace have men escaped the full penalty, in time and on earth, of their rebellion; and only because of special grace have some escaped the eternal penalty beyond the grave.[8] The price was high.

C. Whose Communion Feast?

How little did Adam and Eve value God's word? We can get some idea by reflecting on what they could have done but neglected to do before they went to the forbidden fruit. God had placed two crucially important trees in the garden: the tree of life and the tree of the knowledge of good and evil (Gen. 2:9). The tree of life was open to them prior to their rebellion. They could have gone to that tree, eaten its fruit, and then gone to the forbidden tree. Why did they ignore this seemingly obvious possibility? The tree of life would have protected them from death. Even in their fallen state, the tree of life would have given them eternal life, which is why God drove them out of the garden (Gen. 3:22–23).

To have taken God's word so seriously as to foresee the likelihood of their destruction as a result of their rebellion, they would have had to recognize the extremely high stakes in their gamble. If man needed

8. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987).

the protection of God's tree of life in order to protect him from God's wrath, then man was indeed dependent on God's grace. If man can trust God's word regarding the basis of eternal life, then man can trust God's word concerning the basis of eternal death. In order for Adam to have truly reduced the risk of rebellion, namely, by eating from the tree of life, he would have been forced to acknowledge the sovereignty of God over life, and the absolute reliability of God's word regarding life. Had he taken God's word that seriously, Adam would not have rebelled. It was only because he regarded himself as the arbitrator between God's word and Satan's, and therefore the true source of judgment, that Adam discounted God's word. Adam had to assume that God's word could not possibly (or very, very improbably) be true in order to make the risk of rebellion worthwhile. To have gone first to the tree of life would have meant that man *did* take God's threat seriously, and that man needed the promised protection of God's tree of life. To have relied on the tree of life for protection would have meant the end of man's pretended claims of autonomy.

Adam had a choice: to choose life or to choose death. By the very nature of man's rebellion, he could not have deliberately chosen life first, since he would have been acknowledging ritually what his rebellion implicitly was denying: that the source of life is man's conformity to God's promises. His calculation of costs and benefits had to be made as covenant-keeping man or covenant-breaking man. As a covenant-keeping man, he would have reasoned as follows: "God's word is reliable, so I had better eat from the tree of life first, in order to protect myself. Protect myself from what? From the reliability of God's word concerning eating from the forbidden tree. But if His word is reliable regarding life, then His word is reliable concerning death. I had better not consider eating from the forbidden tree." Covenant-keeping man protects himself by adhering to God's word and taking God's word seriously! He does not make calculations (in his state of innocence, anyway) concerning the odds for or against God's word. To choose God's way to eternal life necessarily involves the rejection of God's way to eternal death.

Covenant-breaking man in the garden would have reasoned as follows: "God's word is not reliable, so I need not protect myself from any hypothetical effects of eating from the forbidden tree. His word is not reliable concerning death, so His word is not reliable concerning life. The odds against His word coming true are astronomically high, so it would be a denial of my own sovereignty, my own assessment of

the low reliability of God's word, for me to eat from the tree of life as a calculated way of reducing the risk of disobedience. I have already determined that there is virtually no risk in disobedience. I had better not consider eating from the tree of life." Covenant-breaking man builds up his own self-confidence by adhering to his self-proclaimed autonomous word. To choose God's way to eternal death necessarily involves the rejection of God's way to eternal life.

After the judgment, of course, man knew experimentally how wrong his assessment had been. Then he would have been willing to eat from the tree of life. But the tree was closed to him. To eat of it now would have been theft. As a proven covenant-breaker, Adam would not be permitted to gain access to eternal life on his own terms. He had made his choice. His choice was the way to death.

The presence of two special trees in the garden, one leading to life and the other leading to death, offers us a solution to an interesting question: "How long was Adam's period of probation to be?" Adam could essentially do three things. First, he could go straight to the forbidden fruit, thereby ending the period of testing in the garden. Second, he could go straight to the tree of life, thereby removing the threat of eternal death, but only by affirming God's word and by subordinating himself to God as a covenant-keeper. Third, he could postpone a choice between the two trees, concentrating his attention on other trees or other tasks in the garden.

There is no revelation concerning a specified period of testing. The Bible does not tell us that Adam had a day, a week, or a millennium to make up his mind. This should tell us that the period of testing involved the tree of life. If the test had been simply "the tree of the knowledge of good and evil" vs. "dressing the remainder of the garden," then the temptation would have been before him forever, or until God stepped in to tell him that it was over, that his refusal to eat the forbidden fruit for all this time proved that he was serious about obeying God. At that point, God would have granted him eternal life, and invited him to eat from the tree of life.

The Bible's words are more specific than this: "And the LORD God commanded the man, saying, Of every tree of the garden thou mayest freely eat: But the tree of the knowledge of good and evil, thou shalt not eat of it" (Gen. 2:16–17a). The words are not only clear; they are inescapable: *Adam had legal access to the tree of life*. To conclude anything different is to deny the plain teaching of the text. To eat of the tree of life, however, required that Adam affirm God's word of promise

concerning the way to eternal life. Indefinite temporal extension was what he had as a garden-dresser. Eternal life was more (and is more) than mere temporal extension, for it is definite, guaranteed eternal temporal extension, without the possibility of eternal death, without the presence of the forbidden tree before man. In other words, Adam's own assessment of the reliability of God's word determined the period of probation. When he had made up his mind to eat of one tree or the other in terms of how much he trusted God's word of promise, the period of probation would end. He would choose life or death, sacramentally, by eating from one of the two trees.

By viewing the test as a choice between eating or not eating from the forbidden tree, and nothing else, we implicitly deny man's ability in the garden to affirm ritually God's word of promise. Adam would then have had to say to himself, moment by moment, "I will not eat of that forbidden fruit because I believe in God's word. I will content myself to putter around in the garden doing other tasks. I shall wait on the Lord. Behold, today is not the day of the Lord. Behold, today apparently is not the day of salvation. But when that day comes, I will ritually affirm my commitment to Him. When God finally says to me that the period of probation is over, I will be found spotless. Then I will ritually affirm my commitment to His word by eating of the tree of life."

Yet throughout Scripture, the message is plain: ". . . behold, now is the accepted time; behold, now is the day of salvation" (II Cor. 6:2b). God awaits man's affirmation of His word of promise. He encourages it. He does not tell man to delay in making such an affirmation. He does not ask man to remain in a condition of suspended judgment. He also does not ask us to affirm our faith in Him, and then leave us without a communion feast.

By placing the tree of life in the midst of the garden, God made available to Adam *a sacrament of life*. The forbidden fruit was *Satan's sacrament of death*. Both God and Satan call us to communion feasts. Paul warned us: "Ye cannot drink the cup of the Lord, and the cup of devils: ye cannot be partakers of the Lord's table, and of the table of devils" (I Cor. 10:21). *Adam's period of probation would end in a communion feast: at the tree of life or at the tree of the knowledge of good and evil.*

Adam was given time in the garden—all the time he chose to take—to make up his mind. The garden was a battlefield of faiths, a battlefield of ideas. Adam faced a decision, every moment of every day, the same decision that Elijah placed before the people of Israel on

Mt. Carmel: "How long halt ye between two opinions: if the Lord be God, follow him: but if Baal, then follow him. And the people answered him not a word" (I Kings 18:21). Every day that Adam spent in the garden torn between two views of God's word, he would spend as the Israelites spent time: answering not a word.

The garden experience, of course, was to teach him. He was to learn about God's reliable word, God's eternal blessings, and God's dominion covenant. But that learning experience was to bring him to the tree of life, to affirm his faith in God's word sacramentally.

D. Revelation and Costs

The word of God is given to men for many reasons, but one of these is to enable them to reduce their costs of economic action. This enables them to fulfill the terms of the dominion covenant with minimal expenditures of scarce economic resources. In other words, the word of God is given in order to *prevent waste*. Since God is the sovereign owner of the world (Ps. 50:10),[9] it is understandable that He expects us to work efficiently as honest, hard-working, and smart-working stewards of His property. *God's revelation of Himself and His law-order is our primary cost-cutting device*. This revelation comes from a wholly omniscient God who controls all events, yet it is divinely designed to match the capacities of man, a creature. God's revelation fits the mind of man, even as it fits the total creation. It offers us a tool of dominion. Men are offered a capital asset that reduces the cost of the most expensive and crucial of all scarce economic resources: *information*. Revelation reduces information costs, and in doing so, it thereby frees up other scarce capital assets—time, effort, money—that otherwise would have to be expended in testing. In fact, God's revelation offers us a way of action without having to test certain aspects of reality that are, by design, beyond the ability of man to test accurately (Deut. 29:29). God's revelation frees us from the demonic pursuit of exhaustive knowledge—a knowledge that must be totally perfect if it is to be reliable, since any aspect of creation could conceivably influence the operation of any other aspect of creation. The self-proclaimed autonomous man must therefore master all of the universe in order to be confident concerning his mastery of any small fragment of it. The covenantally faithful man does not have this burden over him; his God is omnipotent, and his God has provided him with the

9. Gary North, *Confidence and Dominion: An Economic Commentary on Psalms* (Dallas, Georgia: Point Five Press, 2012), ch. 10.

revelation of Himself and the rules of order necessary for prosperity and success in man's enterprise of dominion.

Eve, however, rejected this marvelous gift of revelation. She rejected this revelational tool of dominion. She decided that the conflicting interpretations of the rules concerning the forbidden fruit, the serpent's vs. God's, might be testable propositions. She believed herself capable of designing and executing a neutral empirical test between the word of God and the word of the serpent. As the arbitrator of truth, she could determine who was correct. Of course, she preferred to have her husband share in the responsibility of executing this cosmic test. But the risks seemed minimal, statistically remote, even insignificant. The odds against God's word were assumed from the beginning to be astronomically high, given the magnitude of the promised costs. They played a kind of cosmic lottery. The prize: "to be as God." The cost of the "ticket": the risk of eternal punishment. By imputing so little value to God's word, they imputed little cost to their rebellion. They would become instant gods.

There are costs associated with our choices. There are "real" costs, meaning objective costs, meaning costs imputed by God to each acting individual (Luke 12:48).[10] God's subjective (personal) imputation of cost is the equivalent of a truly objective cost. Every act of man therefore has eternal implications; every idle word must be accounted for on the day of judgment (Matt. 12:36–37). There is no escape from the objective costs of our actions.

Nevertheless, there are also subjective costs imputed by acting men to their own and others' actions. Men make choices in terms of imputations and estimations, both concerning the present and the future. They are constantly searching for better, less costly, more accurate ways of imputing costs and benefits to the choices that confront them. They act in order to benefit themselves as they interpret benefits. Sometimes they make accurate ones in the face of universal opposition, as Caleb and Joshua did when they voted to spy on the people of Canaan (Num. 14). But they must make estimations and make decisions in terms of these estimations when confronted with choices over which they have the power of action.

There are many possible intellectual defenses of the free market economy, but none so strong, from a biblical point of view, as this one:

10. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

The free market economy provides men with an institutional and legal framework for making choices in terms of each man's expected benefits and each man's expected costs.

The free market economy closely links together choice, costs, and benefits. It makes each acting man responsible for his own actions in a direct fashion. It decentralizes the decision-making process, making possible the effective use of more and more specialized information—the division of intellectual labor. In other words, it allows each man to work out his own salvation (or damnation) with fear and trembling (Phil. 2:12b).[11] It forces each man to bear the burdens of responsibility for his own actions. If he imputes accurately and plans successfully, then he reaps the rewards. If he fails in his task, then he bears the burden of failure. The "carrot and stick" both stand before him as motivation devices. The market provides a forum for testing the economic validity of his decisions, namely, price signals that can be used to estimate profit and loss. The *subjective economic imputations* of acting men, along with the registration of their actual decisions through a price system, combine to produce *objective results*. Men are taught to respect objective economic knowledge, even though that knowledge is the product of millions of subjective imputations. Their enterprises turn a profit or a loss. Their subjective imputations come face to face with hard, objective reality.

Another benefit of the free market is the *rapid transmission of economic data*. Men are taught to respond to the real world in an efficient manner, meaning rapidly. They are told whether or not they need to change their imputations and actions. They are told in a forceful manner: profits or losses. The faster they learn of their errors, the faster they are likely to alter their practices. The more forcefully the costs of their errors are registered, the faster they are likely to alter their practices.

Adam and Eve made the most expensive transaction in human history. We assess cost in terms of the most important or valuable use which we have to *give up* when we choose another economic (scarce) good or service. *Cost* is best defined as *the most beneficial alternative which we must forego*. Adam and Eve did receive instant special knowledge, but they paid a heavy price. They learned about good and evil, but from the standpoint of evil. They gave up ethical perfection, eternal life, and the opportunity to extend dominion only after they

11. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 20.

had received training in the curse-less garden. So horrendous was the price they had to pay, that Christ alone was capable of paying it in full (Isa. 53:5; Rom. 5:8). Christ became a ransom for many (Matt. 20:28). What Adam and Eve did was to make a decision that made them less than paupers, and Christ's actions restored wealth to the remnant: "Though he was rich, yet for your sakes he became poor, that ye through his poverty might be rich" (II Cor. 8:9).[12] The costs were so high that Adam and Eve could not have calculated them successfully. They were not supposed to calculate the costs of rebellion to the last coin. They had God's command to guide them. They overestimated their estimating abilities.

Conclusion

The Bible affirms the reality and validity of *God's Bible-revealed law*. It is our standard of action. Therefore, *it is our primary tool for cost-benefit analysis*. It is a cost-cutting device because it provides us with universal guidelines that can be relied upon whether or not we have designed empirical tests to verify the benefits associated with a particular law, or the costs associated with disobedience. Men who reject the law of God are acting as Adam and Eve did. They are discounting the omniscience of God, the omnipotence of God, and the reliability of His word. *The rejection of God's law is the first step of the would-be autonomous man in his quest to become as God, and ultimately to replace God*. The rejection of God's law is the most expensive rejection of a capital resource that any man or any society can make. It substitutes for reliable knowledge the unreliability and astronomical costs of constant, universal, and eternal empirical testing—the testing of every fact in the universe.

Autonomous man first tests God's word, and then must test all other words and all other facts, constantly and eternally. He departs from the paradise of reliable law and enters the barren land of universal testing. The more autonomous he becomes, the more fascinated with tests, and the more despondent that the tests can ever produce reliable results. In the words of one 1960s critic of IQ (intelligence quotient) tests: "IQ tests test what IQ tests test." In short, that favorite screening test of 1930s humanistic educators was falling into disfavor, especially after certain racial minorities failed to perform well when taking them. The test was no longer assumed to test any-

12. *Ibid.*, ch. 5.

thing relevant.[13] Yet humanists need screening devices, and quantitative tests have for centuries been the primary humanistic substitute for earlier screening devices, such as family name, moral character, or profit-and-loss performance. Losing faith in tests, modern man has no universally agreed-upon substitute for tests. The proliferation of testing, statistical surveys, data-gathering, sampling techniques, mathematical economic models, and similar supposed shortcuts for human decision-making has been the direct result of the philosophy of human autonomy and the systematic rejection of biblical revelation. *Testing man has replaced covenantal man*, yet it is man, not God, who has systematically failed the tests, even those devised by the experts in the field. We have imputed great value to our ability to test, and the costs of this error have been astronomical.

13. Allan Chase, *The Legacy of Malthus: The Social Costs of the New Scientific Racism* (New York: Knopf, 1977), chaps. 10–13, 18–20.

12

SCARCITY: CURSE AND BLESSING

And unto Adam he said, Because thou hast hearkened unto the voice of thy wife, and hast eaten of the tree, of which I commanded thee, saying, Thou shalt not eat of it: cursed is the ground for thy sake; in sorrow shalt thou eat of it all the days of thy life; Thorns also and thistles shall it bring forth to thee; and thou shalt eat the herb of the field; In the sweat of thy face shalt thou eat bread, till thou return unto the ground; for out of it wast thou taken: for dust thou art, and unto dust shalt thou return.

GENESIS 3:17–19

The theocentric principle undergirding this passage is God's sanctions: point four of the biblical covenant.[1]

The starting point of all modern economics is here: the question of scarcity. The reason for this is the universality of scarcity. It is easy to gain a wide hearing for a system dedicated to overcoming scarcity, a widely perceived curse.[2] *At zero price*, there is greater demand for most things than there is supply to fill the demand. For some goods, such as air to breathe, there is normally no price, so air is not an object of purposeful human action. Of course, air in a submarine, or on top of a high mountain, or in a space ship will command a price; so will heated, filtered, or cooled air. But most resources are scarce most of the time, meaning simply that *they command a price*. We have to give up something in order to get something else. Even in the case of a free gift, the person who gives us the item had to give up something.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Ty-ler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. Biblical economics begins with the creation. This immediately raises the issue of ownership.

A. Scarcity and Eden

Was scarcity the product of rebellion? The explicit evidence of the Bible seems to favor this interpretation. We must speculate about conditions in the garden. Prior to the rebellion, the residents of the garden did not think that time would be a problem, or so their actions indicated. They did not immediately eat of the tree of life, so God banished them from the garden to keep them from attaining cheap eternal life (Gen. 3:22).[3] They acted as though they thought they had endless life. If they could do as they pleased, thinking God's thoughts after him, naturally choosing exactly the food that was necessary or pleasing to them and refusing to worry about time, it is possible that they had no concept of scarcity. If a person knows exactly what he wants, and he has all the resources he needs to achieve his goals, and he is under no time constraints, and all "second-best" choices can be dismissed as irrelevant, then the cost of achieving his goals is zero. After all, whatever he gives up is worth nothing to him in comparison to the value of attaining his present goal. He is following God's will for him, and he is in perfect ethical communion with God. It may be possible to imagine that Adam operated in a zero-cost world. The day he rebelled, however, he paid the total price for something that seemed to be an inconsequential decision. He went from zero cost—acting in conformity with God's will in a totally abundant environment—to total cost. He lost his life and his zero-cost environment.

On the other hand, it is also possible to imagine that Adam did bear costs. He had choices to make. Perhaps he was not absolutely certain in each case just what he should do. Ethical perfection may not have implied such comprehensive knowledge of God's will that his every step in applying God's mandate to dominion was instinctively known to be exactly what God hoped for him at that instant. If he did have to give up the benefits of one course of action in order to achieve the benefits of some other course of action, then he faced scarcity. He paid a price for his actions. This seems more likely than a zero-cost world.

We do not know what kind of mental or instinctual relationship joined God and Adam in the garden, so we cannot say for certain whether his was an environment marked by scarcity. If a person wants one thing, and only one, at a particular instant, and has all that he wants at that instant, he does not face a scarce environment at that instant. It is a question of supply and human demand.

3. Chapter 13.

There is no question that God's curse of the ground created a new environment. From that point on, the earth has resisted man. Thistles that interfere with man's ability to extract what he wants from the ground have grown up to increase man's costs of attaining his goals. Man must sweat in order to eat. His labor is now unpleasant and burdened, or at the very least it is often frustrated and discouraging, unlike the labor in the garden. The labor in the garden was entirely pleasant. Man was simply fulfilling his purpose and exercising his God-given talents. "To labor is human," but in the garden, it was without a curse. God added vast new costs to labor, reducing its efficiency, while simultaneously reducing the psychological pleasure and incentive attached to labor. Man would now be compelled to labor by his environment; no longer would his mere humanity be relied on by God in order to encourage man to fulfill the terms of the dominion covenant.

God had created an environment which allowed man the option of linear economic and personal development. Adam would receive basic training in the garden, and from there he was to have gone into the world with his heirs to subdue it, spreading paradise across the face of the earth. Adam's rebellion broke this linear development.

God's curse in response to Adam's rebellion brought death into the cycle: birth, growth, and death. Man was placed under the bondage of this cycle ("dust to dust"), as was the creation, which longs to find release (Rom. 8:19–22).[4] In terms of the standards of the garden, this cycle was unnatural. There had not been death in the garden, at least not of animals; vegetarianism prevailed. Man and the animals ate the seeds of herbs and trees for meat (Gen. 1:29–30). Isaiah's language indicates that the blessings of restoration also involve an eventual return to vegetarianism, where the wolf and lamb shall feed together, and the lion shall eat straw (Isa. 65:25). This is not confined to the post-judgment world; it takes place in time and on earth, for the serpent is still cursed, still eating dust (Isa. 65:25).[5] But the curse of the ground brought the animals under the rule of "tooth and claw."

4. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 5.

5. It is possible that Isaiah's language is allegorical, and that he was referring to political tranquility rather than a world of vegetarianism. It is interesting, however, that so many religions of the East, and pseudo-religions of the West, have proclaimed the ethical requirement of vegetarianism. They want a return to vegetarianism prior to the total transformation of culture through regeneration and the extension of biblical law. Paul warned against these calls to a "premature" establishment of mandatory vegetarianism: "Now the Spirit speaketh expressly, that in the latter times some shall depart from the faith, giving heed to seducing spirits, and doctrines of devils; speaking

B. Linear History

The curse would of necessity slow down the fulfillment of the dominion covenant, simply because of the restraints placed on animal multiplication. The animals would now eat each other, and their numbers would be limited by the thorns and thistles that clogged up the formerly abundant productivity of the land. The fulfillment had to be linear, but the new law of nature was cyclical. To overcome this cyclical restraint, covenantally faithful men must apply the principles of biblical law. Linearity of economic growth, of the growth of both human and animal populations, is now a product of ethically faithful societies (Ex. 23:26).[6] Linear development is not natural in the post-Fall world. *Linear development is the product of a philosophy of life—a religious outlook—and few cultures in history have maintained anything like it*. Paganism promotes a cyclical view of life, using the regularities of the cursed, post-Fall agricultural world as its standard of human development. Cursed cyclical nature has become normative for pagan social thought.[7]

C. Common Curse, Common Grace[8]

We generally focus our attention on Adam's plight and the ground's curse. We see mostly wrath in both. Nevertheless, there was also grace

lies in hypocrisy; having their conscience seared with a hot iron; forbidding to marry, and commanding to abstain from meats, which God hath created to be received with thanksgiving of them who believe and know the truth" (I Tim. 4:1–3). The eating of flesh was basic to the ritual celebrations of Israel (Deut. 12:15, 20). Parts of certain offerings belonged to the priests, the right shoulder going to the priest as a heave offering, and the breast going to Aaron and his sons (Lev. 7:31–32). The idea that the Bible teaches vegetarianism as a mandatory way of life is unquestionably heretical. As an ideal for a period of external kingdom blessings, during a millennial reign, it appears to be valid, though voluntary.

6. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990), ch. 58.

7. Stanley Jaki, the historian of science, contrasted the cyclical views held by the Chinese, Hindus, Greeks, Babylonians, Mayans, and Arabs with the linear view of orthodox Christianity. Why did science develop only within the intellectual framework of the Christian West? "Needless to say, many factors—geographical, social, economical, and political—played a part in the stillbirth of the scientific enterprise in the various ancient cultures. The only common factor in all cases seems, however, to be the commitment to the cyclic world view." Jaki, "The History of Science and the Idea of an Oscillating Universe," in Wolfgang Yourgrau and Allen D. Breck (eds.), *Cosmology, History, and Theology* (New York: Plenum Press, 1977), p. 140n. He developed this idea at considerable length in his book, *Science and Creation: From Eternal Cycles to an Oscillating Universe* (Edinburgh: Scottish Academic Press, [1974] 1980).

8. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987).

in both curses, since we define grace as an unearned gift of God to man or the creation. As in all manifestations of God's common wrath, there was also common grace. This grace-curse produced special curses for the rebellious and special benefits for God's elect. By rebelling, Adam deformed the nature of man. Men would no longer naturally cooperate with each other in the tasks of dominion. Because of the murder in their hearts, they would search for ways of stealing from their fellow men and killing them. Man had rebelled against God; man's descendants would normally seek to destroy all those made in God's image. Mankind therefore needed external and internal restraints in order to survive. Men were now alienated from each other because they were alienated from God. Something was needed to heal this alienation. God provided a new incentive for men to be civil, cooperative, and helpful: *self-interest*.

Originally, the earth brought forth abundantly. Now it brings forth thorns and thistles. From the curse onward, men would have to cooperate in order to dig wealth out of the cursed ground. *The division of labor is now imperative for successful, efficient, low-cost production*. There are no free lunches in a cursed, scarce world. There are also no free murders. Every man's labor can be useful to others in the marketplace. Murder a man, and you remove a source of productivity from the marketplace. You remove someone who might have made your work easier or your wealth greater. Battling an uncooperative nature, men need the division of labor more now than they did prior to the rebellion. They need each other to enjoy the full potential of each person's productive capacities. The curse of the ground is a sign of God's grace: given the perverse nature of man, a less productive world is necessary to save him from his own self-destructive ends.

Having to work is also a way of draining energy that might have been put to perverse ends. Men have less free time to scheme and pillage. They have less strength. Part of the energy of nature was re-channeled by God into avenues that would thwart men's evil plans. Time, capital, and energy spent towards increasing the productivity of the land could not be used simultaneously to commit murder and mayhem. The curse of the ground helped to produce a zone of safety for men from their fellows. *Man was made to sweat in order that he might not have to bleed*.

Poverty for the ungodly is a special blessing for the godly, even when the godly share in the poverty. Why should this be? Precisely because hungry ungodly men are compelled to beat swords into

ploughshares in order to survive. Wealth-provided leisure time will eventually be spent in perverse ways, most often in lust, warfare, arson, and rape. Rich rebellious nations can use a greater portion of their wealth to construct even more efficient weapons.

It must also be pointed out that the curse of the ground is also a blessing for the ground. Men in a scarce world must treat the creation with care if they wish to retain the productivity of the ground. This is one of the important reasons why private property has so often been a means of preserving the ground from pollution and soil erosion. Where private property is compromised or unenforceable—"free" air, "free" streams, "free" oceans, "free" land—we tend to find ecological disturbances.[9] Men rush in to get "their" share of the "free" goods, with little thought of the future, simply because they have little or no control over the future use of public property. They can control the future use of private property, and the costs come out of their capital resources, which provides a great incentive to use the resources in a cost-effective manner—one which respects the future expected benefits of the resources.[10] There is a strong tendency, though not an invariable law, for men to take better care of the creation when they are allowed to take possession of the fruits of their labor on their parcel of the creation.[11] Again, it is scarcity which pressures innately lawless men to observe God's laws concerning the creation.

The curse of the ground is a form of grace to the godly—an unearned gift—for it allows them to work out their faith with less fear and trembling concerning the actions of the ungodly. It is also a form of grace—an unearned gift—to the ungodly, for it allows them to work out the implications of their anti-Christian faith in ways that are less harmful to other ungodly men, godly men, and the creation: grace leading to destruction (Luke 12:47–48).[12] The ungodly are given life. They are given power. They participate in history—a kind of stay of execution. Their labors increase the wealth of the believers, since all share in the blessings of greater productivity. Common curse (sweat,

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9. Garrett Hardin, "The Tragedy of the Commons," *Science* (13 Dec. 1968).

10. C. R. Batten, "The Tragedy of the Commons," *The Freeman* (Oct. 1970).

11. Edwin G. Dolan, *TANSTAAFL: The Economic Strategy for Environmental Crises* (New York: Holt, Rinehart and Winston, 1971); J. H. Dales, *Pollution, Property and Prices* (University of Toronto Press, 1970). T. D. Crocker and A. J. Rogers, *Environmental Economics* (New York: Holt, Rinehart and Winston, 1971). On the disastrous state-enforced, state-subsidized pollution in the Soviet Union, see Marshall Goldman, *The Spoils of Progress* (Cambridge, Massachusetts: MIT Press, 1972).

12. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

death, and thistles), common grace (time and incentives to cooperate), special curse (final judgment), and special grace (salvation): all are involved in God's retaliation against evil.

Conclusion

The goal of a godly man is to overcome the curse of the ground and the curse of his own flesh. He is to accomplish this through applied faith. Biblical law is to serve as the tool of overcoming the curses. The cycles of nature are to be overcome through godly agriculture (greenhouses and hydroponics are examples), life is to be greatly extended (Isa. 65:20), thistles are to be minimized, and full production is to be achieved (Deut. 8:7–9).[13] Linear growth is to overcome long-term cyclical stagnation.[14] But it takes the *covenantal faithfulness of entire cultures* to begin achieving such goals over the long run. Without special (saving) grace, success becomes arrogance, and arrogance is visited with destruction (Deut. 8:19–20;[15] 28:15–68).

Scarcity is therefore to be regarded as a curse, but not an unmitigated curse. It has its blessings in a world of corrupt, lawless, ethically rebellious men. It must be overcome through biblical law, not through revolution, humanistic social planning, communal living, or the abolition of private property. It is to be overcome by a systematic, universal, long-term application of biblical law to every area of human life. It is only in cultures made up of predominantly (though not exclusively) godly men that this kind of long-term reduction of grinding poverty, meaning excessive scarcity, can be expected.

13. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 20.

14. North, *Dominion and Common Grace* , ch. 5.

15. North, *Inheritance and Dominion*, ch. 23.

13

THE BURDEN OF TIME

And the Lord *God said, Behold, the man is become as one of us, to know good and evil: and now, lest he put forth his hand, and take also of the tree of life, and eat, and live forever: Therefore the* Lord *God sent him forth from the garden of Eden, to till the ground from whence he was taken. So he drove out the man; and he placed at the east of the garden of Eden Cherubims, and a flaming sword which turned every way, to keep the way of the tree of life.*

GENESIS 3:22–24

The theocentric foundation of this passage is sanctions: point four of the biblical covenant.[1]

A. Life and Death

God threw Adam out of the garden paradise. The garden was to have served as his training ground, the base of operations for the conquest of the world. His rebellion made it necessary to remove him from the garden. He was not to achieve eternal life simply by eating the fruit of a tree, for this would provide him with mere temporal extension. He had already abandoned life as a God-fearing subordinate under God. Life is not simply conscious existence, for if it were, we would have to conclude that there is life in hell. But the Bible says that life is to be contrasted with death, and eternal existence without God is the second death (Rev. 2:11; 20:6). Paul wrote that "to be carnally minded is death" (Rom. 8:6). Adam surrendered to the principle of death on the day he rebelled; his body survived for centuries thereafter, since he

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

died at age 930 (Gen. 5:5). Physical death is a curse imposed by God to remind men of their rebellion and the fact that they are spiritually dead as a result of that rebellion. Therefore, paradise was closed to Adam. He could not escape the burden of physical death—the first death—by eating of the tree of life, since paradise was no longer accessible to him or his heirs. He had to look forward to the establishment of the New Jerusalem, beyond the grave and beyond the bondage of sin, where the tree of life once again is accessible (Rev. 22:2). Not by the works of man's hands, and not by swallowing a particular fruit, can man regain his ethical standing before God. *The essence of life is right standing ethically before God*, and Adam had forfeited life.

The burden of time was placed on his physical body. His years would now be limited. He would be given a fixed amount of time to work out either his salvation or damnation with fear and trembling. Infinite time, apart from regeneration, was forbidden to him.

Time is therefore central to any philosophy of life and death. Men desperately wish to escape the burdens of time, yet they fear death's cessation of temporal existence. The *meaning of time* is an inescapable concomitant to any consideration of the *meaning of life*.

The ancient world apart from the Hebrews believed in some version of historical cycles. Nature's seasonal changes were regarded as normative. The world continues through endless cycles. Hesiod's poem, *Works and Days*, which was written at about the same time that Isaiah's ministry began, was one Greek's speculation about the rise and fall of civilizations and even the creation itself. This cycle began with the age of gold, degenerated to the age of silver, and continued through the age of brass.[2] Ours is the dead age of iron, he said. His language was similar to the visionary dream of King Nebuchadnezzar: the great image which was made of gold, silver, brass, and iron mixed with clay. But the end of that image was total destruction by the stone cut without hands, which smashed the image before growing into a great mountain which filled the earth (Dan. 2:31–35). The kingdoms of man will be replaced by the eternal kingdom of God (Dan. 2:36–45). History in the biblical outline is linear, not circular.

The ultimate uniformity in all pagan systems of thought, whether it is cyclical nature, commitment to evolutionary development, or belief in the static and fundamentally unchanging structure of "pure being," cannot be challenged successfully by any pagan deity. The central uniformity is the sovereign; gods and men must conform

2. Hesiod, *Works and Days*, lines 109–201.

themselves to this fundamental sovereign. Both the gods and mankind are in bondage to it. Man must submit to its power. *Time is the god of paganism, and chance is his enemy*.

The Genesis account is hostile to the concept of uniformitarian temporal processes. Rates of change are not constant over time. In the garden of Eden, Adam did not bear the burden of time, just as he did not bear the burden of alienated, cursed labor. He worked and passed through time, but time was no threat to him. Rather, *time meant opportunity*. The curse was still in the future. The constraints of time did not weigh him down as they do his heirs. He named (classified) the animals of the garden (and perhaps all animals) in a portion of one day. His mind must have worked with the speed of a modern computer, but analogically (thinking God's thoughts after Him) rather than digitally, for he was a full personality under the sovereignty of God. His handling of the facts of nature was completely in terms of the categories given to him by God as God's image-bearer. He worked rapidly, just as God had worked rapidly to create the universe in six days.

This indicates that the processes within time prior to the Fall were explicitly unlike those of today. God is not bound in the straitjacket of fixed rates of change which now seem to bind fallen mankind. His fiat word determined the speed of creation, not the needs of random evolutionary processes. God did not need huge quantities of time to accomplish the creation. Therefore, it should not be difficult to imagine that Adam, as made in God's image, exhibited the capacity to deal mentally with the universe which God had created. Adam's mind was analogous to God's; it was precise, comprehensive, and rapid in its operations.

B. Prodigies

Every generation has numerous individuals who can perform prodigious feats of mental computation. These gifted individuals can solve various kinds of problems, frequently mathematical, with seemingly impossible speed. Consider the Dutch mathematician Willem Klein. He performed the following calculation in front of audiences. He was assigned a number of 499 digits by a computer. This number was the product of another number multiplied by itself 73 times. His task was to calculate this 73rd root in his head. In two minutes and 43 seconds, he solved it. The number was 6,789,235.[3] Shakuntula Devi,

3. *People* (Sept. 27, 1976).

an Indian prodigy, was not quite so impressive, but she could find cube roots of six-digit numbers faster than students could find the answer on hand-held calculators, or she could find the cube of 777. She could instantly tell you what factorial 13 is, which is 13 times 12 times 11, and so forth, down to one: 6227020800. "Never use commas," she said. "They'll only confuse you." She could tell you what day of the week it was on (say) Nov. 3, 1949. But she could not describe how she accomplished these feats.[4] Eric Jablow taught himself how to read by the age of 20 months, or possibly sooner, and he taught himself calculus at age 6. He graduated from Brooklyn College with highest honors at age 15. He had attended graduate school lectures in mathematics as early as age 7.[5] These people were obviously abnormal, yet people like them are common enough in every generation to remind us of what we have lost since the Fall.

A question could legitimately be raised concerning the source of these abnormal powers of mind. Is it possible that demonic, occult forces are behind them? In some cases, it is not only possible but probable. But no universal generalization can be made with complete confidence. A case of one occultist who developed extraordinary mathematical powers as a result of his family's trafficking with demonic forces was the great Indian mathematician Ramanujan, who died at the age of 32 in 1920.[6] His biographer, S. R. Ranganathan, devoted several pages to a discussion of Ramanujan's occult background. He reported having a dream as a young man. The family goddess, Namagiri,

> . . . wrote on his tongue. Thereafter his precocity developed suddenly. It has been stated by his mother that he was born after her parents had prayed to the Goddess to bless her with a son. There is another piece of information current in Ramanujan's family. His maternal grandmother was a great devotee of Goddess Namagiri. She would often go into a trance and speak as Goddess Namagiri. In one such trance, before the birth of Ramanujan, she is said to have uttered that, after her own death, the Goddess would speak through the son of her daughter.[7]

His mother was an astrologer, and she predicted her son's death a month before it happened. She consulted another professional as-

4. *Washington Post* (Oct. 4, 1976).

5. *Washington Star* (May 22, 1977).

6. In the popular movie, *Good Will Hunting*, the university mathematician refers to him briefly in a discussion with Robin Williams' character.

7. S. R. Ranganathan, *Ramanujan: The Man and the Mathematician* (Bombay: Asia Publishing House, 1967), p. 13.

trologer about her son's horoscope without revealing whose it was, and he confirmed her fears.[8] He would narrate occult experiences to his friends in India. He possessed (or was possessed by) powers of precognition; he could foresee future events.[9]

> Ramanujan and his family were ardent devotees of God Narashimha (the lion-faced incarnation [*avasara*] of God), the sign of whose grace consisted in drops of blood seen during dreams. Ramanujan stated that after seeing such drops, scrolls containing the most complicated mathematics used to unfold before him and that after waking, he could set down on paper only a fraction of what was shown to him.[10]

It must not be supposed that Ramanujan was some obscure, though talented, Indian mystic. He was brought to Cambridge University by Prof. G. H. Hardy, who long after regarded the young man as one of the most talented mathematicians of his era. He was elected a Fellow of the Royal Society, a major honor. Nor is his biographer an obscure mystic; he was the official biographer for Ramanujan's *Collected Papers*, and he included some of these details of Ramanujan's occult background in that biography.

Hardy himself provided an example of Ramanujan's remarkable abilities. He had visited the young man at a sanatorium.

Hardy:	I came in the taxi-cab 1729. It is a rather dull number. I hope it is not an unfavorable omen.
Ramanujan:	No, it is a very interesting number.
Hardy:	How?
Ramanujan:	It is the smallest number expressible as the sum of two cubes in two ways. ($1729 = 1^3 + 12^3 = 9^3 + 10^3$).[11]

C. Time and Modern Science

The bondage of time came after the Fall. Like the curse of the ground, it was both a curse and a blessing. It set limits on men's ability to work out the implications of their rebellion from the beginning, and as men nevertheless tried to develop their capacities for further rebellion, God placed additional limits on them, such as shorter life spans, death through the Noahic Flood, and the division of their language and the scattering of their habitations at the tower of Babel (Gen.

8. *Ibid.*, pp. 13–14.
9. *Ibid.*, pp. 88–89.
10. *Ibid.*, p. 87.
11. *Ibid.*, p. 113. This incident is cited in several thousand Web pages about him.

8–11). The curses restrained their evil, and therefore served as blessings for the godly. The ethical benefits outweighed the loss of longevity and the scattering abroad.

Also, like the curse of the ground, the bondage of time is to be lifted progressively. As men increasingly conform themselves to the laws of God, human society is to be restored to something approaching the garden paradise, and even beyond. After all, that paradise was a training ground for dominion. The preliminary manifestations of the new heavens and new earth that are described in Isaiah 65 serve as down payments on the final restoration beyond the day of judgment. But these days of external blessing are to be worldwide in scope, not confined to a tiny strip of land a little east of Eden. This earthly triumph will not be perfect, for sinners will still do their work (Isa. 65:20). Nevertheless, it will be a world more like paradise than hell.

The passage describes the end of conflict between carnivorous animals and their prey (Isa. 65:25). It also describes the lengthening of mankind's days on earth. These words do not refer to the post-judgment New Heavens and New Earth, for in that period there will be no sinners mingling with saints, and no death whatsoever. Isaiah announced: "There shall be no more thence an infant of days, nor an old man that hath not filled his days: for the child shall die an hundred years old; but the sinner being an hundred years old shall be accursed" (Isa. 65:20). God can permit longer lives, even of sinners, since their influence in this period will be minimal compared to the influence of the godly. This will be in time and on earth. The curses of time will be progressively diminished in response to the creation of godly institutions and the preaching of the gospel. Longevity, which is a gift of God for ethical obedience (Ex. 20:12), will be restored, indicating that time will have had its curse aspects minimized.

It might be possible to interpret Isaiah 65:20 in terms of modern rates of economic and cultural change. Rather than taking the words literally, we might argue that compound annual rates of economic growth of 2%, 4%, or even 6% have produced such extraordinary changes in the modern world in such a brief period of time—one average human lifetime—that the typical Western industrial nation's citizens live the equivalent of several lifetimes of those living in Isaiah's day. In effect, the modern West has developed an economy which permits people to "pack" several lives into one. Therefore, we might conclude, Isaiah 65:20 has been fulfilled allegorically or symbolically in today's growth-oriented economies.

There are several problems with such an interpretation. First, the words of the passage speak of "an hundred years old" as a child's age. Second, today's high rates of economic growth have not been the product of spiritual renewal. What we have seen is an inverse relationship between Christian orthodoxy and economic growth: the worse their spiritual condition, the more material possessions modern men receive. We are viewing conditions analogous to those described in Deuteronomy 8:12–17, where men attribute their wealth to their own autonomous efforts.[12] *Today's wealth appears to be a prelude to God's judgment*. Per capita wealth is rising in the West, but population growth is declining. A major blessing of God is being withheld: children.

Today's rates of economic growth cannot be sustained for centuries. The compounding process at 2% per annum, let alone 6%, creates astronomically high per capita wealth in a few centuries. We will run into the limits of growth eventually. Humanism may be nearing the end of its rapid economic growth rates, at least in terms of industrial growth. Most of the twentieth century was a radical historical aberration: large-scale mass production which consumed cheap energy and was financed by monetary inflation, compounding annually, decade after decade. This is not the culmination of Christian orthodoxy but of arrogant secular humanism which is steadily consuming its moral foundation, namely, the cultural veneer of Christian orthodoxy. If anything, modern industrialism is a demonic imitation of Isaiah 65:20, the substitution of historically unprecedented economic and cultural change for long-term social progress and increased life expectancy through the application of biblical law to society. It is "eat, drink, and be merry, for tomorrow we die." A biblical social order offers longer life spans and slower, less radical social change which can be sustained by the environment—social, ecological, and psychological—over centuries.

The emergence of modern science and technology came in response to the establishment of godly rule on a far wider basis than ever before. Lynn White, Jr., chronicled the important technological developments of the Middle Ages.[13] Medieval Catholic culture was far more productive than the pagan cultures that it replaced. But it was the Protestant Reformation which unleashed the forces of mod-

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12. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 21.

13. Lynn White, Jr., *Medieval Technology and Social Change* (New York: Ox-ford University Press, 1962).

ern science.[14] Loren Eiseley, the anthropologist-historian who was successful as a popularizer of Darwinian evolution in the mid-twentieth century, understood this more clearly than most of his fellow scientists: "The experimental method succeeded beyond men's wildest dreams but the faith that brought it into being owes something to the Christian conception of the nature of God. It is surely one of the curious paradoxes of history that science, which professionally has little to do with faith, owes its origins to an act of faith that the universe can be rationally interpreted, and that science today is sustained by that assumption."[15]

Christianity was instrumental in producing the beginnings of applied science. Applied science and technology stemmed from the understanding of the world which affirmed its orderliness and man's access to knowledge of its processes. The fact that the mind's logic, especially mathematical logic, conforms to the operations of the external world is nothing short of a miracle—an unexplainable coincidence from the standpoint of post-Darwinian science.[16] Yet Christian writers have always provided an explanation: man is made in the image of God, the Creator. Applied science has now produced tools of dominion that enable man to approximate the lost skills of Adam in the garden. Even Willem Klein was finally replaced by a computer at the European Center for Nuclear Research (CERN). When the Center hired him in 1958, he was more efficient than their computer in many areas. Simple men with inexpensive calculators can perform mathematical computations faster than the early computers of the late 1940s, and which no tools could perform rapidly prior to 1945. There is a problem with such devices, however: they have almost allowed

14. For an introduction to this question, see the two articles that appeared in *The Journal of Christian Reconstruction*, VI (Summer 1979): "Medieval Speculation, Puritanism, and Modern Science," by Charles Dykes, and "The Role of Puritan Calvinism in the Rise of Modern Science," by E. L. Hebden Taylor. See also Robert K. Merton, "Puritanism, Pietism, and Science," in his book, *Social Theory and Social Structure* (Glencoe, Illinois: The Free Press, 1967), ch. 17; R. Hooykaas, *Religion and the Rise of Modern Science* (Grand Rapids, Michigan: Eerdmans, 1972); and E. M. Klaaren, *Religious Origins of Modern Science* (Grand Rapids, Michigan: Eerdmans, 1977).

15. Loren Eiseley, *Darwin's Century* (Garden City, New York: Doubleday Anchor, [1958] 1961), p. 62. See also Stanley Jaki, *The Road of Science and the Ways to God* (Chicago: University of Chicago Press, 1978).

16. Eugene P. Wigner, "The Unreasonable Effectiveness of Mathematics in the Natural Sciences," *Communications on Pure and Applied Mathematics*, XIII (1960), pp. 1–14. Cf. Vern S. Poythress, "A Biblical View of Mathematics," in Gary North (ed.), *Foundations of Christian Scholarship: Essays in the Van Til Perspective* (Vallecito, California: Ross House Books, 1976), ch. 9.

rebellious man back into the "garden" without saving faith and biblical dominion. Men may wish to find an escape from the bondage of death, thereby allowing them access to infinite temporal extension for the purpose of indulging their lusts. Yet their tools of dominion now threaten all of civilization, for the tools of dominion can produce and have produced mighty weapons, allowing us to turn ploughshares into swords more efficiently.

D. Time and Economics

Unquestionably, technology has permitted us to make more efficient use of our time. Time is the resource, above all, which men seek to conserve, if only to waste it in unfulfilling leisure activities. *Time is mankind's only absolutely irreplaceable environmental resource*. It is the human resource which confounded the attempts of Solomon to deal with in terms of the logic of autonomous man (Eccl. 1–3). Time's limitations led the psalmist to declare: "My days are like a shadow that declineth; and I am withered like grass" (Ps. 102:11). Time is in short supply—only one earthly life per customer!

1. Time Orientation

Time is the fundamental component in all economic planning. It is the foundation of a proper explanation of the phenomenon of the rate of interest. The interest rate stems from the rational distinction in each person's mind between an economic good enjoyed in the present and the same good enjoyed in the future. Goods to be used in the future are less valuable than the same goods used in the present (other things being equal, as the economist always says). Some men value present consumption very highly. They will therefore sacrifice the use of a presently owned resource only for large quantities of scarce economic resources in the future. These people will loan their assets only at high rates of interest. The premium of present goods over future goods is very high; some economists call this "high time-preference."[17] This *present-orientedness* is a crucial factor in slum communities and in underdeveloped (backward, primitive) nations.[18]

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17. Ludwig von Mises, *Human Action* (New Haven, Connecticut: Yale University Press, 1949), ch. XVIII, sec. 2, see also pp. 496-99.

18. Edward Banfield, *The Unheavenly City* (Boston: Little, Brown, 1970), argued that one's class position is a function of one's attitude toward the future, with lower-class people being present-oriented. In Mises' terminology, they have high time-preference. See pp. 47ff., 62, 72, 163ff. The American ghetto suffers from massive present-orientedness. Sociologist Helmut Schoeck has pointed out that envy in primitive cultures

In contrast are those who are distinctly *future-oriented*. They have low time-preference, and consequently, they are willing to forego the present use of a scarce economic resource for relatively small increases in the future. These people will loan resources at low rates of interest. Compared with backward cultures, future-oriented cultures place a high premium on future income. The low interest rates make it possible for entrepreneurs to borrow resources (money) in order to expand the supply of future goods and services. Their profit margins can he lower because the rate of interest they have to pay is low. More projects can therefore be undertaken than would have been possible had interest rates been higher. These people do not feel the burden of time so heavily as those who are present-oriented. They see the future as a world to be overcome. They see time as a tool of dominion, not a means of escape. *Time is seen as an opportunity for future dominion*. The Puritan work ethic went (and goes) together with future-orientation. Both serve to increase economic productivity. When this faith erodes, economic growth is bound to slow down.

People buy in the market what they desire and can afford. High time-preference people want instant gratification, and they pay high interest rates for loans that enable them to buy today's consumer goods. Compared to future-oriented people, they want present goods more than they want future goods. So, investment opportunities dry up, since entrepreneurs cannot generally afford to pay the high interest rates that present-oriented people demand on their loaned funds. Therefore, output stagnates or declines. The supply of future goods drops. *But this is exactly what the high time-preference people wanted*. They discounted the value of future goods so much that potential producers of future goods decided not to produce them. They placed a low value on future goods, and the market responded accordingly. On the other hand, low time-preference societies have high rates of savings and investment. They place a high value on future goods. They are not nearly so present-oriented. Consequently, they lend money at low rates of interest, which stimulates the output of those future goods that they value so highly. People get what they pay for, and future-oriented societies demand far more future goods than present-oriented

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prevents people from sharing their views of the economic possibilities of the future with those outside the immediate family unit. "No one can even begin to have rational aspirations for the future unless he has a realistic view of what that future may be; but no such prognosis can be made so long as each member of the group carefully keeps hidden his view of the future." Schoeck, *Envy: A Theory of Social Behavior* (New York: Harcourt, Brace & World, 1970), p. 46.

societies do. They want economic growth in the future, and this is exactly what they buy by giving up present goods. This is a major factor in economic development.

It is a familiar aspect of the human condition to desire a return to paradise. After all, paradise is what God originally intended for us. But the flaming sword was to remind Adam and his heirs that the return to paradise must be in terms of God's saving grace and His law-order, not in terms of man's autonomous labors. Godly men are to strive, through faith and labor, to *conquer* the burdens (curses) of time and scarcity. It is when men try to *escape* these burdens altogether, or to conquer by means of statist tyranny (the Moloch state), that their quest for paradise is illegitimate. There are numerous ways that men have devised to escape from time and its burdens, but all are illegitimate: drunkenness, drugs, nudity, primitive chaos festivals (Carnival, Mardi Gras), mystical union with a monistic god through asceticism, Marxian revolution, and so forth. The numerous books written by Mircea Eliade are accounts of these various attempts to escape time's bondage.[19] The Christian answer is hard work in terms of biblical law, and low interest rates that are the product of a religiously based future-orientation. These are the fruits of personal and cultural maturity.

2. Low Interest Rates

It is important to understand, however, that *low interest rates must be the products of voluntary exchange*. They are not to be legislated by a civil government which is seeking to play God by increasing productivity through legislative fiat. When men are honest, ready to repay loans at any cost, the risk premium in any interest rate will drop. When governments refuse to inflate the currency, the price inflation premium disappears, or even becomes negative, also keeping interest rates down. When men are future-oriented, interest rates will be low. But when the state attempts to legislate the benefits of godly social order apart from these three features—low risks, low or no price inflation premium, and low time-preference—then bureaucrats merely succeed in drying up the supply of loanable funds on the free market. They impose a price ceiling on loans, and as always, the result is a shortage of the price-controlled good, which in this case is loanable money. A black market for loans springs up, with high interest rates compensating the lenders for the risks of breaking the law. Interest

19. On Eliade's works, see Guilford Dudley III, *Religion on Trial: Mircea Eliade and His Critics* (Philadelphia: Temple University Press, 1977), chaps. 2–4.

rate ceilings (usury laws) succeed merely in misallocating scarce economic resources.[20]

Economic growth is the product of covenant-conforming human action: thrift, honest dealing, hard work, future-orientation, care for one's calling (vocation), etc. The function of civil government is to enforce biblical law, including modern applications of Old Testament law (such as traffic laws). There are no long-term fruits apart from biblical roots. The cheap imitations of paradise that have been created by modern Marxism, socialism, and Keynesian interventionism-inflationism are leading not toward a New Heavens and New Earth, but toward a new hell on the old earth.

Modern man believes that time has been operating for at least 13 billion years. He sees *the processes of time as essentially unchanging, or uniformitarian*. For better or worse, what man is today has come as a result of slow, continual changes over time through the process of evolution through natural selection. Time is seen as a burden to be overcome through science, through economic manipulation, or through some sort of new evolutionary leap which will at last speed up the process of evolution.

The Bible tells us that the processes of time have changed radically in the past, as a result of man's Fall. Men in the post-Fall period lived long lives, but man's life span was steadily shortened after Noah. Yet as a result of ethical conformity to God, men's lifetimes will once again be lengthened. As far as we know, time is a constant, but the processes of time vary in terms of man's ethical relationship to God and His law-order.

Temporal extension is to man what eternity is to God. Temporal extension makes it possible for man to accumulate knowledge and power, for good or evil. Time also makes human freedom possible: as each man moves into the future, he makes choices among options, which is what freedom means. God's freedom, of course, is immediate, timeless, and eternal.

Time, therefore, is a true blessing and opportunity for regenerate men. It is not without burdens this side of the new creation, but it is not fundamentally a burden, as it is for the rebellious. Those who wish to escape time altogether are rebellious. They choose occult methods of achieving secret knowledge, mystical illumination, or

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20. Murray N. Rothbard, *Power and Market: Government and the Economy*, 4th ed. (Auburn, Alabama: Mises Institute. [1970] 2006), pp. 38–39; Armen A. Alchian and William R. Allen, *University Economics*, 3rd ed. (Belmont, California: Wadsworth, 1972), p. 471.

some secret formula to give them perfect power or perfect protection. Work-in-time was an opportunity for Adam. Work-in-time-under-the-curse is a burden for sinful man. The unregenerate hope to escape work and time by becoming omniscient, omnipotent, and even eternal like God. The godly man hopes to escape the curse of time by overcoming sin and working in time, as directed by the guidelines provided in God's law.

Conclusion

Time, matter-energy, and space appear to be constants in the creation. Certainly, we do not delay the coming of God's day of judgment by manipulating the universe in some way. Time does not change, but the processes within time's fixed limits do change, and so do men's attitude toward those processes. Men may view time's processes as opportunities to be used to the glory of God, or as burdens to be overcome through autonomous scientific techniques, magic, or mystical illumination. But time remains man's theater of response to God.

It is therefore understandable that the modern state should attempt to seek control of the processes of time, as well as to seek to control those features of the economy that are the product of a particular religious perception of the meaning of time. The secular humanist state seeks to attain the benefits of low interest rates by imposing usury laws that force down the legal, visible rates of interest in the various loan markets. The bureaucrats try to promote economic growth by lowering short-term interest rates by increasing the money supply, in a vain attempt to increase long-term production. They attempt to stimulate economic growth in the ghetto, or in backward foreign nations through humanistic, tax-supported schools, or through tax-financed welfare programs of all kinds. They do not deal with *the central problem of the ghetto and the underdeveloped nation*, namely, the present-orientation of those who make up the bulk of the backward or poverty-stricken population. Indeed, "poverty-stricken" is a phrase indicating that poverty is an active force that suppresses the innate creativity of man—a hypothetical universal creativity. But men's time perspective can overcome all the foreign aid funds that any government agency might send into a high time-preference culture. What men believe has more relevance than the goods that men receive from messianic, humanistic civil governments.[21] If time is seen

21. P. T. Bauer, *Dissent on Development: Studies and Debates in Development Economics* (Cambridge, Massachusetts: Harvard University Press, 1972), pp. 78ff., 87, 202ff. See

as a burden, welfare funds can do little to lower the pressure of this perceived burden. And where time is seen as an opportunity for conquest, the funds for expansion will be generously provided by private loans from people who want to invest in productive cultures marked by future-oriented entrepreneurs. *Capital flows toward those who believe in the future, who accept the burdens of time as an opportunity for personal growth and personal profit*. To gain access to the capital assets of unwilling investors, the messianic state confiscates the funds of the productive in order to divert the normal flow of capital toward time-conquerors and away from the time-conquered. The state shifts capital toward the time-conquered in the hope that the mere possession of capital, apart from a new vision of time, will be an effective substitute for a change of time perspective—a sort of mechanical alternative to regeneration. The bureaucrats speak of inducing a "take off into self-sustained economic growth."[22] The results are almost uniformly negative.[23] Manipulation through coercive wealth redistribution is not an effective alternative to a culture-wide shift in people's perceptions of time and its burdens.

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also Bauer, *Equality, The Third World and Economic Illusion* (Cambridge, Massachusetts: Harvard University Press, 1981).

22. Walt W. Rostow, *The Stages of Economic Growth* (Cambridge: At the University Press, [1960] 1971). For extended critiques of Rostow's "take off" hypothesis, see the published debates of the International Economic History Association, ed. Rostow: *The Economics of Take off into Sustained Growth* (New York: St. Martin's Press, 1963). Rostow was still clinging to his take off thesis in his extraordinarily detailed book, *The World Economy: History and Prospect* (Austin: University of Texas Press, 1978), where he still spoke of a "post-take-off stage, the drive to technological maturity," p. 59. As a one-volume introduction to the known details of economic history in the West, and an introduction to the secondary sources of the discipline as of the mid-1970s, this book is very useful. It is marred, as are all of Rostow's books on economic history, by a lack of any integrating market theory, other than the "take off" hypothesis, which he tended to de-emphasize in his later years.

23. P. T. Bauer argued that Rostow's stages are simply another variation of the fallacy of historicism. See his critical essay reprinted as chapter 18 of his book, *Dissent on Development*. As Bauer wrote, "Growth can never be self-sustaining in the sense of continuing irrespective of the maintenance or evolution of appropriate attitudes and institutions and the pursuit of sensible policies," p. 485.

14

PRIMITIVE NOMADS

And she again bare his brother Abel. And Abel was a keeper of sheep, but Cain was a tiller of the ground.

GENESIS 4:2

This passage has to do with dominion: point three of the biblical covenant.[1]

There was no myth cherished more in twentieth-century anthropological scholarship than the mid-nineteenth-century hypothesis concerning primitive man, the nomad. Anthropologists believed that human social groups were relatively recent, dating back about 60,000 years. However long ago it may have been, men supposedly roamed alone or in packs, eating wild berries or other plants that grew wild, hunting animals, and drifting with the productivity of nature. Then, about 10,000 years ago, men in the fertile crescent region of the Near East discovered the skills of animal husbandry and agriculture. Shepard Clough's evaluation is representative: "Here was one of the major technological revolutions of all time, for only in settled societies is man able fully to meet Western culture's criteria of civilization. At least no nomadic society has ever done so."[2] This narrative account assumes the

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 3; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 3.

2. Shepard B. Clough, *The Economic Development of Western Civilization* (New York: McGraw-Hill, 1959), p. 22. It is interesting that this statement critical of nomadism was dropped from a later edition of this standard textbook: Clough and Richard T. Rapp, *European Economic History: The Economic Development of Western Civilization* (New York: McGraw-Hill, 1975), p. 18. The revised sentence ends where the clause critical of nomadism began: "Here was one of the major technological revolutions of all time."

validity of evolutionism's presuppositions concerning society and its origins: from animal to human being to social being. Nomadism supposedly evolved into civilization through technological discoveries.

A. No Agricultural Revolution

The Bible says that Adam knew about both agriculture (dressing the garden) and animal husbandry (naming or classifying the animals) from the very beginning. His two sons received sufficient training from their father to embark on their respective careers. One was a husbandman, and the other was a farmer. The division of labor had already manifested itself, with each man concentrating on his own specialty. Evolutionary anthropologists and social historians have assumed that the simpler tasks of hunting animals and picking wild berries necessarily preceded the more complex tasks of domestication, both of animals and plant life. Yet the dominion covenant explicitly states the reverse: covenantally obedient men are required to subdue the world—domesticate it—to the glory of God. It is only when men seek to abandon the requirements of this dominion covenant that nomadism becomes a factor in human history.

The division of labor that we see in the case of the two brothers had been an explicit part of human life from the beginning. Eve was given to Adam in order to assist him in his tasks (Gen. 2:18; I Cor. 11:8–9). The division of labor principle was acknowledged by their sons. Presumably, this specialization of their skills was mutually beneficial to each man, since each could concentrate his time, capital, and knowledge on one area of the economy while enjoying the fruits of the other man's calling through voluntary exchange. Each wound up with more agricultural produce and sheep products than would have been possible had each of them tried to produce both products. The costs of dominion were reduced.

The dominion covenant is also referred to as the cultural mandate. This phrase is appropriate, for apart from the combined efforts of individuals acting cooperatively through market competition, the subduing of the earth would become far more difficult to coordinate, and far more expensive to regulate. Culture, the product of cooperative human action, is vital to the tasks of domestication. Men are expected by God to set down roots, build for the future, establish permanent institutions, and increase in wisdom. From the beginning, men formed communities. Cain built a city (Gen. 4:17). Civilized men have always feared the life of nomadism. Cain pleaded with God that

the life of a vagabond was more than he could bear as a punishment, and God graciously reversed this condemnation (Gen. 4:12–15). It was too great a curse.

The advent of nomadism, especially the individualistic form, is a sign of social devolution. Chronologically, nomadism came later than civilization in human history, contrary to the religion of evolutionism. Nomadic tribes are often fierce warriors, but they leave few records of their own and no culture. The Huns, for example, left almost no trace of their years of conquest. The major history of the Huns written in the twentieth century was a lifetime research project which was never fully completed by its author.[3] He had to master many languages in order to reassemble the story of the Huns, since there were only fragments available, in many geographical regions, written by their victims and enemies across different geographical regions. Victorious on horseback, they were eventually swallowed up by the cultures they conquered, leaving no literature of their own to testify to their importance.

B. Rootless

A wandering tribe that operates in terms of the stripped earth policy or theft is clearly rebellious. Like the years of wandering in the wilderness by the Israelites, nomadism is a curse of God. Men who try to escape from the ethical burdens of laboring under the terms of the dominion covenant are often tempted to escape into this form of cultural rebellion. Hitchhiking in the United States has always been the practice of the poor, the hobos, the criminals, and the rootless young.[4] Police departments and other crime-fighting organizations have long warned drivers not to pick up hitchhikers, since there are so many criminals or disturbed, dangerous people among their ranks. It was no coincidence that in the years of the counterculture, 1965–72, there were millions of teenaged youths on the roads of the Western nations, all looking for a free automobile ride to nowhere in particular. The nomad's life is a life of few responsibilities, which is why nomadism increased so rapidly when the counterculture appeared.

There is little question that the most universally recognized American figure is the cowboy. Celebrated in movies, books, and television

3. Otto Manchen-Helfen, *The World of the Huns*, ed. Max Wright (Berkeley: University of California Press, 1973).

4. See the "classic" document of the so-called "beat generation," Jack Kerouac's *On the Road* (New York: Viking, [1957] 1974).

shows, the romantic figure of the lone cowboy, the ultimate rugged individualist, has been a favorite since the actual era of the cowboy in the 1870s and 1880s. The bulk of the stories are fictional, as is the romantic framework within which the legend of the cowboy operates. They were men of little capital, no vision, and no future.[5] Those who became successful generally ceased being cowboys and became entrepreneurs who hired cowboys at low wages. The American cowboy was a phenomenon of one generation of economic expansion. He survived mainly in legend and fantasy, but there he has survived tenaciously. It is revealing to consider the fact that the television show *Gunsmoke* was the longest running, primetime dramatic series on American television, surviving two decades from the mid-1950s to the mid-1970s. It is also revealing that the show lasted about as long as the actual era of the cowboy did, especially if we consider the extra years that the show ran on the radio, prior to the television series. If we consider reruns of the series, it has long outlasted the era of the cowboy.[6]

The popularity of the American television series of the early 1960s, *Route 66*, also testifies to the widespread acceptance of nomadism as a fantasy idea just prior to the advent of the counterculture. Two young men roamed the country in an expensive sports car, a Chevrolet Corvette, which was apparently traded in each year for the latest model (the show was sponsored by Chevrolet), despite the fact that neither man had any visible signs of employment. *Then Came Bronson*, a one-year series in the late 1960s, featured a nomad on a motorcycle. Each show was introduced by a scene where Bronson is stopped at a traffic light, and a man in a station wagon, the symbol of family responsibility in America, looks at him and says, "Where are you going?" "Nowhere special," Bronson answers. "Boy, I wish I were you," the man replies. "Well, hang in there," says Bronson, and zooms away as the light turns green. Here was the heart of the message of romantic nomadism: the lure of low-responsibility existence, the lure of the road. The cowboy no-mads of American fiction brought law and or-

5. On the cowboy as nomad, see the autobiographical books by Will James: *Lone Cowboy* (Barrington, Illinois: Peter Wolfe, 1930), and *Smokey* (New York: Scribner, 1926). The title of a third James book is appropriate: *The Drifting Cowboy* (Barrington, Illinois: Peter Wolfe, 1925).

6. Sometime around 1983, I had an opportunity to tell this to the show's star, James Arness, at a conference where I spoke. I gave him a copy of the first edition of this book, where I referred to the series. Arness played Matt Dillon through five decades, 1950s–1990s (made-for-TV movies).

der with them, though they themselves may have been on the fringes of the Establishment's law. The modern fictional nomad lives on the fringes of culture and brings existential alienation. The real nomads of the counterculture brought (and still bring) disease, such as venereal disease and lice. Shortly after its inception, the counterculture was literally all loused up.

There is no question that nomads are primitive. They are not future-oriented. They do not build for the future. Whether in the African veldt, the Australian outback, the pre-Columbus American plains, the post-Civil War American plains, the wastes of the Arabian desert, or on Route 66, the nomads cannot build a civilization. God paralyzed the people who attempted to build the tower of Babel by scattering them. The wanderer is culturally impotent. But what must be understood is that *primitivism is primarily a religious and ethical outlook*; it is not some hypothetical steppingstone in man's upward evolution. It is a religion opposed to civilization.

Rootless men are not long creative. It is not surprising that, by 1980, American corporations were finally questioning the practice of moving executives from city to city every few years. They encountered increasing opposition from their employees, who now better understood the strains that such nomadism creates for the family. In the long run, the large American corporations will find that stronger community and family ties will benefit the companies, since productivity will increase in higher management.

C. Autonomy vs. Community

The autonomy of modern urban life, with its atomized life styles, has built-in limits. Unstable neighborhoods in which few people know more than one or two families on the block are easier targets for burglars and other criminals. The requirements of self-defense have prompted some neighborhoods in large American cities to establish "neighborhood watches," where people will look out for the property and homes of others on the block, or even create "citizen's patrols," with a car full of residents who patrol the street nightly looking for suspicious signs and phoning the police on cell phones if they think the police should investigate. Invariably, crime drops in such neighborhoods; it is cheaper for the criminals to work in more atomized neighborhoods.

An advertisement appeared in the *TV Times* supplement to the *Los Angeles Times* on Sunday, July 22, 1971. Television guides were read pri-

marily by women, as the advertising revealed. In this case, however, the appeal was made to the needs of the whole family. It was an advertisement for a Karate school, where students could learn the martial arts of the East. The headline reads: "My Sons and I. . . ." In smaller type, we read: "Morris Stapler of Torrance says, through our training in Karate, my sons and I have drawn closer. The few hours a week we spend together training does more for our father-son relationship than camping once a year." Here is an ad that would warm a mother's heart. At last, a way to get the boys together with their father! And while they are communicating together, they will be learning how to punch out the backbones of muggers and potential rapists. The advertising agency had sensed the multiple needs of the families of the notoriously rootless region of southern California.

The quest for community can become pathological, of course. Twentieth-century totalitarian regimes used the language of community to gain the commitment of the urban rootless, as well as the rural peasantry who had their religions and institutions shattered by the intrusions of the West. The conservative American sociologist, Robert A. Nisbet, wrote in 1953:

> The greatest appeal of the totalitarian party, Marxist or other, lies in its capacity to produce a sense of moral coherence and communal membership to those who have become, to one degree or another, victims of the sense of exclusion from the ordinary channels of belonging in society. To consider the facts of poverty and economic distress as the causes of the growth of communism is deceptive. To say that the well-fed worker will never succumb to the lure of communism is as absurd as to say that the well-fed intellectual will never succumb. The presence or absence of three meals a day, or even the simple possession of a job, is not the decisive factor. What is decisive is the frame of reference. If, for one reason or another, the individual's immediate society comes to seem remote, purposeless, and hostile, if a people come to sense that, together, they are victims of discrimination and exclusion, not all the food and jobs in the world will prevent them from looking for the kind of surcease that comes with membership in a social and moral order seemingly directed toward their very souls.[7]

It is significant that the book in which this statement appears, *The Quest for Community*, went almost unnoticed when it was first published in 1953. A few conservative scholars knew its theme, but other intellectuals ignored it. Its title was changed to *Community and Power* in the 1962 paperback version. But it was changed back after 1965;

7. Robert A. Nisbet, *The Quest for Community* (New York: Oxford University Press, [1953] 1965), p. 37.

the counterculture explosion brought the theme of the quest for community before the eyes of the intellectuals. Nisbet's career made a quantum leap only after the counterculture's advent, when the book became very popular. Also, as he once admitted, it helped when *Commentary*, the Jewish intellectual monthly, began to shift rightward, using his articles to help buttress the case for less radical politics and more conservative traditions. Jews, he said, buy a lot of books and read them, especially serious books.[8]

Conclusion

Like Cain, who feared the vagabond's existence, men cannot long bear the burdens of total rootlessness. Nomads will always be in the minority. Still, modern culture, with its philosophical and moral rootlessness, can conceivably become a temporary blessing. It provides a zone of freedom for Christians to begin to rethink and rebuild the foundations of culture. But this reconstruction must always be in terms of an *ideal of permanence*. The intellectual and cultural nomadism of modern urban secularism is a temporary phenomenon. Christians have an obligation to gain skills now, in every field of life, so that they will be prepared to replace the world's leadership, at every level, when secularism's cultural nomads wander off into the wilderness of drugs, retreat, totalitarianism, or suicide. We must move forward culturally, not in a static, nomadic circle. The static cycles of nomadism are demonic.

8. Nisbet made this statement to me in the late 1960s, although I cannot remember exactly when. I studied social theory under his guidance during the late 1960s. He was on my Ph.D. dissertation committee.

15

THE SIN OF ENVY

And in process of time it came to pass, that Cain brought of the fruit of the ground an offering unto the Lord. *And Abel, he also brought of the firstlings of his flock and of the fat thereof. And the* Lord *had respect unto Abel and to his offering: But unto Cain and to his offering he had not respect. And Cain was very wroth, and his countenance fell. And the* Lord *said unto Cain, Why art thou wroth? and why is thy countenance fallen? If thou doest well, shalt thou not be accepted? and if thou doest not well, sin lieth at the door. And unto thee shall be his desire, and thou shalt rule over him. And Cain talked with Abel his brother: and it came to pass, when they were in the field, that Cain rose up against Abel his brother, and slew him.*

GENESIS 4:3–8

The theocentric focus of this passage is sanctions: point four of the biblical covenant.[1]

The passage begins with an account of two men's offerings to God. These offerings revealed both men's commitment to God's hierarchy: point two of the biblical covenant.[2] God accepted one and rejected the other. The text does not say why. From later revelation, we know: God required a blood sacrifice. He required a representative substitute (point two) for man's sin. Abel imposed the ultimate sanction of an animal: death. Cain offered an agricultural sacrifice. It was rejected because there was no negative sanction involved, and also no legal representative. There was only an economic loss. Man cannot buy his way into favor with God.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. Sutton, ch. 2; North, ch. 2.

Cain was angry. Why? Because he had believed that the best of his labor could buy favor with God. Wasn't his sacrifice just as great as Abel's? Economically, perhaps. Judicially, no.

God condemned Cain. He told him that his anger was not justified. He warned him of sin lying at the door. Then, without warning, he added a benefit for righteousness: "And unto thee shall be his desire, and thou shalt rule over him." Why? Because Cain was the older brother. He was the firstborn son. This was a position of honor even before the Mosaic law. The Mosaic law mandated a double portion of an inheritance for the firstborn son (Deut. 21:15–17).[3] As the older brother, Cain deserved deference from Abel, even in their adulthood.

A. Envy and Self-Destruction

Cain did not benefit directly from the murder of Abel. His sacrifice would be no more acceptable to God than it had been before. In fact, it would be less acceptable. He was now a murderer. He did not kill Abel as a way to gain acceptance with God. He killed him because he resented the fact that Abel had experienced a success, whereas Cain had experienced a failure. Cain was so upset by discrepancy between Abel's success in his own failure that he believed that he could escape this sense of inferiority only by killing Abel.

Abel had not harmed Cain. They both could have brought acceptable sacrifices. There was nothing about Abel's sacrifice that kept Cain's sacrifice from being accepted by God. Abel's success was completely independent of Cain's failure. Abel did not cause Cain's failure.

There was nothing that Abel could have done or could do in the future that would make Cain's sacrifice acceptable to God. Cain deeply resented the success of Abel. He resented it so much that he killed him.

There was nothing that Abel could have done to buy off his brother. The very fact that he would have been in a position to buy off his brother would have constituted another reason for hating him. Cain resented the success of Abel. Any form of payment from Abel would have reminded Cain that Abel was in a better position than Cain was. There was no way that Abel could have escaped his brother's resentment by any payment to his brother.

This is why envy is so difficult to deal with. It cannot be placated by the victim. The fact that the victim is in a position to placate the

3. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 50.

envious person only makes the envious person more envious. He resents the fact that the other person is in a position to grant him any benefit.

Cain did not kill Abel to gain anything that belonged to Abel. He did not kill Abel in order to gain favor with God. He killed Abel because he resented the fact that Abel had been successful, and he had failed.

B. Envy vs. Jealousy

Cain was not a herdsman, nor did he want to become one. Abel was going to be his subordinate. God had promised this. By killing Abel, Cain did not gain favor with God. He lost what little favor he possessed: the position of the first-born son. He did not gain acceptance with God for his agricultural offerings by destroying Abel's ability to make animal offerings. He lost his safety from negative sanctions. He was no richer. He was poorer. Yet none of this swayed him. He wanted his brother out of the way, no matter the consequences.

The sin of envy is different from the sin of jealousy. The jealous person sees that someone else possesses something that he wants. He seeks to gain ownership of it. If he cannot do so through voluntary action, he seeks to gain ownership through violence or the threat of violence. He may be willing to compromise. He may settle for less than owning all of whatever it is. He is open to negotiation. He is not offering an all-or-nothing deal. If he can gain partial ownership, he is satisfied. "You had all of it. Now I own some of it. I win."

Envy is different. The envious person resents the other person for whatever he possesses. The difference between them galls him. He is not content with being placated. The very fact that the other person is in a position to placate him galls him. He is motivated by the desire to destroy, not the desire to possess. "You own it. I cannot have it. I will destroy it."

The envious person does not seek to gain equality though redistribution. He seeks equality through wealth destruction. By bringing down the person to his level, he gains a sense of satisfaction. He sees a benefit from the destruction of the other person's advantage. It is not that the envious person achieves greater wealth through obtaining all or part of what the other person owns. He can be satisfied only when the other person has been pulled down from his pedestal. The victim cannot successfully negotiate.

Jealousy can be bought off. If somebody is jealous about another

person's possessions, he wants the other person's possessions. If there is some way that he can gain ownership of some or all of these possessions, the jealous person will be satisfied. He does not resent them richer person because of the person's riches. He just wants some of those riches. He wants the rich person to share with him.

The envious person does not want the rich person to share with him. He resents the fact that the rich person is in a position to share anything with him. He does not wish to settle the matter by gaining access to the other person's possessions. He wants to tear the other person down, irrespective of whether this will benefit him.

The sin of envy is far more destructive than the sin of jealousy. It is all-encompassing, highly focused, and relentless. Only by destroying the other person's perceived advantage can he gain relief from the internal drive that moves him toward destruction.[4]

Envy is a destructive sin. It is internal. So, common measures to deal with it fail. The envy-driven person cannot easily overcome this sin, for the aggravating difference between him and his victim cannot be overcome. They stand as a testimony against him. He is inferior. The fact that Abel would remain his institutional subordinate did not placate Cain. Nothing placated him.

C. The Second-Born Son

The narrative of the Old Testament reveals a pattern: inheritance by the second-born son. Adam was the firstborn son. He sinned. He was punished. Cain was the firstborn son. He sinned. He was punished. His younger brother Seth became heir of the covenant line (Gen. 5:6–9). Ishmael was Abraham's first-born son. Isaac inherited. Esau was Isaac's first-born son. Jacob inherited. Manasseh was the first-born son. Ephraim inherited (Gen. 48). The New Covenant rests heavily on this Old Covenant pattern. Paul wrote: "And so it is written, The first man Adam was made a living soul; the last Adam was made a quickening spirit" (I Cor. 15:45). Death came through Adam. Life comes through Christ.

Cain, the first-born son, murdered the second-born son, Abel. This cost Cain dearly. First, he would not rule over Abel. Second, he would spend his life under God's negative sanction. He had been a skilled farmer. He would henceforth be forced to learn to live in a city. "And Cain went out from the presence of the LORD, and dwelt in the land

4. The best study of envy is Helmut Schoeck, *Envy: A Theory of Social Behavior* (Indianapolis, Indiana: Liberty Fund, [1966] 1987).

of Nod, on the east of Eden. And Cain knew his wife; and she conceived, and bare Enoch: and he builded a city, and called the name of the city, after the name of his son, Enoch" (Gen. 4:16–17). Third, his son inherited a city, but not the covenant line. Seth inherited that. Cain did not rule over Seth.

Cain was a loser. He knew he was a loser. Yet he offered no sign of repentance for his sins: offering an agricultural sacrifice to God, being angry with his brother, rejecting God's gift of authority over his brother, slaying his brother, and seeking to conceal this from God (Gen. 4:9). He cared only about the threat of sanctions from his brothers. "Behold, thou hast driven me out this day from the face of the earth; and from thy face shall I be hid; and I shall be a fugitive and a vagabond in the earth; and it shall come to pass, that every one that findeth me shall slay me. And the LORD said unto him, Therefore whosoever slayeth Cain, vengeance shall be taken on him sevenfold. And the LORD set a mark upon Cain, lest any finding him should kill him" (Gen. 4:14–15).

Cain was an unrepentant sinner. His main sin was murder. But murder was the effect of a deeper sin: envy.

Conclusion

Cain was driven by envy against Abel. He killed Abel as a way to deal with his resentment of God's favor toward Abel and His lack of favor toward Cain. He was willing to suffer the loss of his social position in order to remove Abel from his sight. He gained no wealth; on the contrary, he lost it. He had been a farmer. He lost his land. He had been an heir of God. He became a disinherited son. Only by understanding the nature of the sin of envy can we make sense out of Cain's action.

16

TO KEEP A BROTHER

And the Lord *said unto Cain, Where is Abel thy brother? And he said, I know not: Am I my brother's keeper?*

GENESIS 4:9

The theocentric issue in this passage is God as the sanctionsbringer: point four of the biblical covenant.[1]

The reason for my decision to include a chapter on this passage in an economic commentary on the Bible has nothing to do with the meaning of the passage, its implications, or its economic content. The context of the passage has very little to do with economics as such, except possibly the lawlessness of using coercion and violence against one's fellow man.

Unfortunately, the passage has become a familiar one in liberal political and theological circles. "My brother's keeper" has become a catch phrase. More to the point, "your brother's keeper" has become the shibboleth of shibboleths of the so-called Social Gospel movement,[2] second only to "the fatherhood of God and the brotherhood of man."

The standard explanation of this passage—completely out of context—is that each man owes his neighbor a great deal. Specifically, we all collectively owe each other life, liberty, and property, especially property, and most importantly, *property confiscated from the rich*

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. Ronald C. White, Jr. and C. Howard Hopkins, *The Social Gospel: Religion and Reform in Changing America* (Philadelphia: Temple University Press, 1976).

through political action. We are supposedly the legal guardians of the poor, the infirm, and the feebleminded. We have this responsibility not as Christian individuals, members of churches, or contributors to voluntary charities, but as members of the body politic. We become our brother's *legally responsible keeper* for these two reasons: first, he is poor and we are not; second, both the poor and the rich are under the sovereignty of civil governments. We are all brothers because of *our shared humanity under the universal Fatherhood of God*, but more importantly, because of *our shared humanity under the sovereignty of the state*. It matters less to advocates of the Social Gospel what kind of God men believe they are sons of, than what kind of state men believe they are subordinate under. Their frame of reference is far more political than theological.[3]

A. The Prosecutor's Question

What was the context of Cain's response to God? First, he was a rebel whose sacrifice God had rejected (Gen. 4:5). Second, Cain had murdered his brother (Gen. 4:8). At this point, God approached Cain with a question concerning his brother's location. Cain answered with a lie: he did not know. Then he justified this lie to an omniscient God by asking a rhetorical question: "Am I my brother's keeper?"

What did this phrase mean? It should be obvious, but it is not obvious to the defenders of the socialistic Social Gospel. Cain sought to justify his supposed lack of knowledge concerning his brother's whereabouts. How was he supposed to know where Abel was? After all, was he Abel's keeper? We have to ask ourselves, what is the meaning of "keeper"? The Hebrew word used in Cain's rhetorical question is transliterated *shawmar*, meaning "guard, guardian." It is used specifically in I Samuel 17:20 to refer to guarding sheep. Strictly speaking, *shawmar* is not normally translated as "shepherd," but the nature of Cain's response indicates that "shepherd" was one meaning Cain had in mind. Cain was being very clever. Was he the guardian (shepherd) and Abel an incompetent, like some sheep? Of course not. Abel was in fact the shepherd (*rawhaw*, "keeper" or "shepherd"), not Cain. Abel was an independent, responsible man, not some helpless, stupid beast. Why, then, should God imagine that Cain had any knowledge about Abel's whereabouts? Did Abel report to Cain concerning his daily schedule, as a prisoner might report to a guard? Was

3. Joel McDurmon, *God versus Socialism: A Critique of the New Social Gospel* (Powder Springs, Georgia: American Vision, 2009).

Cain his brother's keeper? Of course not. Abel was the shepherd, not Cain; sheep are kept, not humans.

Cain asked this rhetorical question in a vain attempt to justify his supposed lack of knowledge concerning his brother's whereabouts. Yet it was precisely this knowledge that Cain possessed. He was unquestionably not his brother's keeper; he was his brother's *murderer*. He was not a protector of the helpless, but rather a murderer of the responsible. He was being interrogated by his own Creator. Somehow he deluded himself into believing that his questioner, God, would accept Cain's retort that there was no reason for Cain to have any knowledge concerning his brother's location. After all, both brothers were independent men and neither was his brother's keeper.

B. A Question of Control

The meaning of "keeper" here implies the relationship between a controlling shepherd and a flock of docile, stupid, incompetent, wandering, helpless, and very profitable sheep. The primary economic function of sheep is, after all, to be sheared. They are to serve the financial (and sometimes gastronomical) desires of their masters. Anyone who begins discussing the state's supposed function to serve as a "keeper," meaning either "shepherd" or "guard," had better understand that the word "shepherd" implies "sheep," and the word "guard" implies "inmates"—or at the very least—it implies "wards."

This fact was understood by Herbert Bird when he wrote: "For to be one's brother's keeper implies just what Cain insinuated that it does—to supervise, in greater or lesser measure, another's life; to take it upon oneself to determine what is good for someone else; to override his liberty, and even his personality, in the interests of a social theory. To be one's brother's keeper is to control him."[4] Anyone who misinterprets Cain's words, using the phrase "my brother's keeper" or some similar phrase, is saying that others are not responsible for themselves and their own affairs, and that they have a moral and legal right to part of the property of their neighbors. Having a legal right to his property thereby brings the coercive state into the picture. "We," meaning the state, meaning those who control the state, meaning politicians and especially bureaucrats, are supposedly responsible for the welfare of others. The state therefore has the obligation to serve as the official keeper of the unfortunate, the ignorant, the

4. Herbert Bird, "Am I My Brother's Keeper?" *The Freeman* (May 1966), p. 56. Rev. Bird was an Orthodox Presbyterian Church missionary to Eritrea for many years.

infirm, the lazy, the rebellious, the intoxicated, the unemployed, the extravagant corporations inefficient enough to go bankrupt and large enough to create worries about the economic and political effects of their impending bankruptcy, and the banks that have made too many noncollectable loans to too many insolvent debtors, and everyone else who gets into economic trouble from time to time and begins to clamor for tax-supported government aid. *"We" become full-time keepers, except when we are already full-time sheep*. The tax burden of being full-time keepers increasingly convinces people that they are not much better off than sheep, who at least do not have to do anything in order to be fed, clothed, housed, and entertained. *The state becomes the keeper*, and productive citizens are sheared of their wealth, while the welfare recipients are sheared of their self-respect, independence, and incentive to work.[5]

God's answer to Cain's lie and his rhetorical question: God knew where Abel was, Cain knew where Abel was, and judgment had now arrived. In short, He paid no attention at all to Cain's rhetorical question. Cain was a murderer, not a keeper. Abel had not been a sheep. He had been a man. Judgment had arrived.

Some of those who parrot the "brother's keeper" phrase may be nothing more than ignorant, misled, good-hearted people who know little about the Bible and less about responsible living apart from coercive wealth redistribution. But those who first made the phrase popular were not ignorant about the Bible. They knew very well what the Bible said, and they rejected its testimony. They were determined to rewrite the Bible, misinterpret the Bible, and create a new secular humanist religion in the name of the Bible.[6] They knew the power of the pulpit in the United States, and they sought to capture the seminaries, religious publishing houses, and religious newspapers in every denomination.[7] With few exceptions, they had achieved their goals by 1940 in the North, and by 1965 in the South. The seminaries had become liberal by the 1930s in most of the denominations, so it was just a matter of time. Commenting on the career of Walter Rauschenbusch, perhaps the most influential defender of the Social Gospel in his era (around 1910), historian C. Gregg Singer wrote:

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5. Gary North, "The Hidden Costs of Free Lunches," *ibid.* (April 1978).

6. Robert M. Crunden, *Ministers of Reform: The Progressive Achievement in American Civilization, 1889–1920* (New York: Basic Books, 1982).

7. Gary North, *Crossed Fingers: How the Liberals Captured the Presbyterian Church* (Tyler, Texas: Institute for Christian Economics, 1996).

> Rauschenbusch was keenly aware of the necessity of a policy of deception in introducing his brand of Christian Socialism into the churches of this country. He thus gave it a name that was designed to make it seem evangelical in character and not revolutionary at the same time. Calling for the Christianization of the social order for the realization of the kingdom of God, Rauschenbusch avoided demanding the government ownership of the railroads and other public utilities. He simply called for governmental controls of various kinds, confident that such a program would eventually bring the kind of socialism he wanted. He was willing to uphold a policy of gradualism in his program of social and democratic revolution.[8]

The statist theology of "my brother's keeper" is consistent, though its advocates are deeply involved in the deception of Christians and others who do not recognize it for what it is. *It is a theology of substitution*: the state for the God of the Bible. It was enormously successful in confusing twentieth-century American Christians. It helped to convince them to promote political actions that are diametrically opposed to those recommended in the Bible. At the minimum, Bible-believing Christians have been convinced that there is nothing in the Bible to counter the message of social improvement through state action. Some have even gone so far as to claim that there is no such thing as Christian economics, and therefore the dominant ideology of wealth redistribution through state coercion should not be challenged biblically. Yet the proponents of the Social Gospel have almost universally been advocates of a rival religion, the religion of secular humanism. Singer put it well when he concluded:

> The development of liberalism in the twentieth century pushed the God of the Scriptures further into the background of human affairs and gave an increasingly important role to man himself so that God, to the extent to which he was considered at all, was benignly regarded as an ally of progress and democracy. He could cooperate with the human race should he desire to do so, but any refusal on his part would not be taken too seriously by those in control of the situation in this country. . . . For many leaders the very term "God" had ceased to symbolize much more than the vague yearning of humanity for a better life on earth and the realization of the "best that was in the human race."[9]

8. C. Gregg Singer, *The Unholy Alliance* (New Rochelle, New York: Arlington House, 1975), p. 24.

9. C. Gregg Singer, *A Theological Interpretation of American History* (Nutley, New Jersey: Craig Press, 1964), p. 287.

Conclusion

"I am not my brother's keeper, nor am I a sheep to be kept by my brother, my neighbor, or the political representatives of either my brother or my neighbor. I am my brother's *brother*." This is the proper answer to the misused phrase, "Aren't you your brother's keeper?" Rhetorical questions, whether used by murderers like Cain or socialists in the pulpit, are nonetheless rhetorical. They are supposed to silence the opposition. God answered Cain's deliberately misleading rhetorical question with the truth, calling him a murderer and, by implication, a liar. This is the proper response to destroyers who misuse the words of men, let alone misuse the word of God. A rhetorical question should call forth a straightforward response. When men misuse the word of God, their judgment is at hand. Let us be on the side of the Judge, not at the side of the collectivist keepers.

All of this is not to deny in any way our moral responsibilities toward brothers in need. However, we must not expect to find guidelines for brotherly charity in this passage of Scripture. All that we learn about brotherhood in this passage is that we are not to murder our brothers. It has nothing to do with the hypothetical charity of tax-funded professional "keepers."

17

CALLING AND OCCUPATION

> *And God said unto Noah, The end of all flesh is come before me; for the earth is filled with violence through them; and, behold, I will destroy them with the earth. Make thee an ark of gopher wood; rooms shalt thou make in the ark, and shalt pitch it within and without with pitch.*
>
> GENESIS 6:12–14

The theocentric issue here is sanctions: point four of the biblical covenant.[1]

The story of Noah and the ark is one of the most famous passages in the Bible. It tells of the wrath of God against all humanity, with the exception of one family. It also tells the story of God's judgment on all the land-based animals of the earth, with the exception of those that were brought into the ark. We see here once again the biblical principle that creatures under the jurisdiction of people reaping God's negative sections suffer along with their guilty heads. There was no escape for the animals that did not make it into the ark.

This is the story of a man who had a crucial calling: to save the planet. He had to do this in his spare time. He also had to make a living. This task paid nothing up front. If "full-time Christian service" means "working for the church," Noah was not in full-time Christian service. We are not told what Noah and his sons did for a living. The usual assumption is that they were involved in agriculture. Whether or not Noah and his family were involved in agriculture, they did have to make a living, day by day, year by year, during the time of the

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

construction of the ark. There was no market for the ark. Noah was not instructed by God to sell tickets.

Consider their occupations. Here was a family that was involved in the construction of a gigantic ship. They were building it on dry land. There was no way for them to transport this ship to a ocean. They must have been the laughing stock of the community. The ark was a laughing stock of the community for years and then decades. Here was a family that had clearly lost touch with reality. These people were building a boat the likes of which no one had ever seen. They were doing this on dry ground.

God did not tell Noah to warn the people that a great flood was coming. God did not say anything about a flood. Noah must have drawn conclusions about the nature of the negative sanctions to come, but he was not specifically informed about the details, as far as the biblical text indicates.

The family had no assignment regarding evangelism. God did not tell Noah and his family to hand out tracts telling people to repent. He told Noah to build an ark, and He gave Noah a set of plans for it. Other than that, God had no instructions for Noah at all.

Noah was the central figure of humanity between Adam and Jesus Christ. Other biblical figures were important in the lines of covenantally faithful people, but Noah and his sons were crucial. All humanity traces its genetic inheritance back to Noah, and the entire animal kingdom had its genetic origins in the animals inside the ark. With the exception of Noah and his family, the entire history of man up until that time led to death and destruction. Noah was the turning point in all of human history, and also in the history of the animals.

We are not told what Noah did for a living. We are told what Noah did to live. He is not important historically for what he did for a living. He is important historically for what he did to live. Noah's occupation was so unimportant that the Bible does not even mention it. The Bible does tell us what he did to save his family and the animal kingdom from destruction. Until the death, resurrection, and ascension of Jesus Christ, Noah did more than any other human being to save humanity. No other figure in history comes close to the importance of Noah, with the exception of Adam. Noah is the central character from Adam to Christ.

This being the case, it is clear that the most important thing that Noah did was to build the ark. *It was the most important thing that*

anyone did from Adam to Jesus Christ. In contrast, we are told nothing about what he did for a living.

In discussing the work of Noah and his family, I distinguish between their jobs and their calling. Their jobs were whatever tasks they did to support themselves while building the ark. In modern terminology, their jobs put food on the table. Their most important work appeared to be ludicrous for a long time. They must have suffered considerable ridicule. Yet this was the most important work that anyone had ever done, and it was the most important work that any family has ever done. Nothing that you do will ever match what Noah did. We can say this of everyone else in history, with the exception of Jesus Christ.

Noah's calling was to build the ark, and he was the only man who could do it. He was irreplaceable, because he was the only righteous patriarch in the world. God picked him especially for his righteousness. There was no one else on the face of the earth whom God could have picked. It was the most important task that anyone had on earth, and he was the only person who could fulfill it.

A. What Is a Calling?

The construction of the ark was Noah's calling. I define calling as follows: *the most important thing that you can do in which you would be most difficult to replace*. Noah's calling was not his occupation. We are told nothing of his occupation. Unless he was supported full-time by his sons, who in turn had occupations, Noah had a job, but we are told nothing about it. His job was irrelevant for the story of Noah. His job was relevant for putting food on the table, but it was not relevant for the salvation of the world.

In the story of Noah, we probably have the best example in history of the difference between an occupation and a calling. Whatever Noah did for a living, he was probably easily replaceable. He certainly was more easily replaceable in his job than he was in his calling. So replaceable was he in his job that the Bible does not bother to tell us what his job was. It was just a way to earn a living, which in turn enabled him to pursue his calling. Nobody paid him anything to pursue his calling. His calling was a negative as far as the general public was concerned: a joke. Yet it was the most important work that he could do for which he would have been most difficult to replace.

This distinction between occupation and calling is at the heart of civilization. Most people are forgotten within 50 or 60 years of their

death. Their children remember them, and the older grandchildren remember them, but the great grandchildren do not. When two generations die off, the memory of their ancestors dies with them. What the ancestor did for a living is forgotten. Men's occupations leave no trace in almost all cases. The men are easily replaceable, and therefore the work that they do is not memorable.

There are a few people who achieve something memorable by means of their callings. For most of these famous people, their callings are their occupations. We think of famous political leaders, generals, or inventors. All of these people were paid to perform their callings.

Even in the case of philosophers, they are usually paid. Socrates had a job, but almost no one remembers what that job was. He was a stonemason. He left that occupation to pursue his calling. His self-assigned calling was to challenge men in their fundamental beliefs. It was also to train a younger generation of men to do the same. It cost him his life.

Jesus had a calling. His calling was to redeem the world. The initial means of His calling was the discipling of a small handful of people. For three years, He trained these men. He had been a carpenter, but He abandoned that job for the sake of His calling. Peter and his brother abandoned their jobs as fishermen to become disciples. All of the disciples abandoned their lifetime occupations. Jesus called them to serve Him in a special way, but they did not make their livings serving as disciples.

The best New Testament example of someone who supported his calling by means of his job was the apostle Paul. We are told that he made tents for a living (Acts 18:3).[2] We are told nothing about the size of the tents, the price of the tents, or whether he sold the tents to a wholesaler or to the general public. We are only told that he made tents for a living.

His calling was to serve as an apostle. He did the most important work he could do for which he would have been most difficult to replace. No one thinks of the apostle Paul as one of the world's great tentmakers. No one thinks of him as a businessman. He became a tentmaker because he could no longer get paid by the Jews as a persecutor. His calling before his conversion was to be a persecutor. His tentmaking was an afterthought.

2. Gary North, *Sacrifice and Dominion: An Economic Commentary on Acts*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 8.

B. Two Kinds of Work

A man who finds his calling is blessed of God. A man who has an occupation that he enjoys is also blessed by God. But rare is the man who achieves his calling as an employee. Ministers of the gospel do this. Missionaries achieve this. Some teachers achieve this. But most men never achieve enough in their occupations that they could legitimately call their occupations their callings. They may do something important in their jobs, but in most cases they are easily replaceable. Even in those cases where they are not replaceable, such as professional athletes of the highest caliber, they know that their callings will soon be over, and they will have to find a job. They will no longer be able to compete successfully as professional athletes. Their callings are short-lived. They last for a few years, and then fade from almost everyone's memory.

For most men and women, no one will pay them a salary for their callings. They are paid for their occupations. One of the reasons why so few men have callings is because they are unwilling or unable to perform their callings in their spare time. They do not finance their callings by means of their occupations. They spend the bulk of their time on their occupations, and they allocate whatever remains among such activities as watching sports on television, drinking in taverns, and spending ten minutes a day with their children. Rare is the man who self-consciously accepts a lower paying job because this job provide sufficient free time that he can work on his calling. Very few men even understand what a calling is. They have not identified the most important thing they can do with their lives for which they would be most difficult to replace.

When a man devotes the bulk of his labor to an occupation that is not also his calling, he risks two things. First, he risks discovering late in life that he never had a calling. Second, he risks *not* discovering late in life that he never had a calling. Such men do not pay attention to the need for some service that they could provide. When that service is not paid for in a competitive market, those who possess the skills to perform that service tend to ignore it.

Consider a physician. He could be a low-paid physician on the foreign mission field. Some Christian physicians do this. They make very little money, and they have enormous impact in communities in which no other physician lives within a hundred miles. Most physicians practice their occupations throughout their whole lives, earning a decent living and knowing that they are essentially replaceable. The

physician on the mission field knows that he is very close to being irreplaceable. He is irreplaceable because nobody in the community he serves has the money to pay a Western-trained physician. They can barely afford to pay the local witch doctor.

One solution for physicians who want to become missionaries is to save a large percentage of their income in their occupations. They budget carefully; they restrict their spending; and they save up enough money so that they can afford to go on the mission field when they are 50 or 55 years old. They understand that their callings are not their occupations. They understand that the only way they can support their callings is to earn enough money, and learn how to invest that money successfully, so that the income from their investments will fund their years on the foreign mission field.

What is true of a physician who wants to become a foreign missionary is equally true of any man who sees that he could be of enormous service in an area of life in which the people he will serve cannot afford to pay him what he could earn by serving the highest bidders. His employer sells the man's services or output to the highest bidders. The highest bidders are not the same people the worker could best serve if he was willing to quit his job and devote full-time service to poverty-stricken beneficiaries.

With respect to filling the needs of people who have few alternatives, a man has a calling if he can budget his time and money in such a way that he can devote time to serving those who could not otherwise afford his services. Here is his calling. It is supported by his occupation. In budgeting your money, you had better first decide what your calling is. If you do not know what your calling is, you will not allocate your time and money in such a way that you will maximize your contribution to the kingdom of God.

Most Christian men never discover their callings. They are tempted to see their callings in terms of their jobs. They define themselves in terms of their jobs, not in terms of their callings. They confuse their callings with their jobs, and in doing so, most of them neglect the most important thing that they could do for which they would be most difficult to replace.

What if Noah had spent all of his time at the office? Imagine him on his deathbed, with the water up to the mattress, telling his family, "I should have spent less time at the office." The response would have been: "You certainly should have."

Until a man finds his calling, he will not budget his time and his

money efficiently. If he does not set aside time and money to pursue his calling, he will miss out on his calling. Most men miss out on their callings. They devote their lives to the most profitable thing they can do for which they would be fairly easy to replace.

Conclusion

Noah had a calling: to preserve life on earth. It was the most important thing he could do for which he was most difficult to replace. He also had an occupation. We do not know what that was. He earned his living through his occupation. He used this income to prepare the ark. His job was subordinate to his calling. Both were God-given tasks. They were not of equal importance.

Noah served God full-time: as the ark's builder and as a producer of goods or services to customers. Both tasks were religiously motivated. He had to give an account to God of his work. If he had had no job, he would not have been able to build the ark. No one was going to pay him to build the ark. To identify his day job as secular and the ark building job as religious would miss the point. Both tasks were religious. One task was non-profit in the short term and of ultimate profit in the long term: the ark. The other was profitable in the short term but doomed in the long term. All of his customers died.

18

THE ECOLOGICAL COVENANT

And God blessed Noah and his sons, and said unto them, Be fruitful, and multiply, and replenish the earth. And the fear of you and the dread of you shall be upon every fowl of the air, upon all that moveth upon the earth, and upon the fishes of the sea; into your hand are they delivered.

GENESIS 9:1–2

The theocentric focus of this passage is hierarchy, point two of the biblical covenant.[1]

A. Covenant Renewal

The dominion covenant given to Adam and Eve by God (Gen. 1:28)[2] was reaffirmed between mankind and God after the great Flood. God made it clear to them that the dominion covenant was not limited to the garden of man's pre-Fall condition, but that it applies wherever men work out the implications of their faiths. *There can be no lawful escape from the comprehensive responsibilities associated with the dominion covenant*. Any attempt to deny its binding nature, or to eliminate any of its features, must be regarded as antinomian—a denial of the law of God. Man is unquestionably the legitimate dominant creature on earth, under the jurisdiction of God. Man is responsible for the enforcement of his Lord's covenants, even as he himself is bound by them.

The whole earth was placed under a curse as a result of man's re-

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 2; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 2.

2. Chapter 4.

bellion (Gen. 3:17–19).[3] The animals of the dry land perished as a result of man's sin and God's response in sending the great Flood. As subordinate to man, the creation necessarily shares in some of the blessings and curses brought upon man. This is basic to covenantal life: *subordinates participate in the successes and defeats of their superiors*, in much the same way that low-level military troops end up as victors, prisoners, or corpses, depending upon the decisions made by their superiors in the chain of command. The fact that nature suffers because of man's rebellion is evidence of *nature's subordinate position under man*, and therefore evidence of *man's position of dominion over nature*.

God showed grace to Noah's family. Through Noah, God also demonstrated His grace to the animals that were carried into the ark. A remnant of mankind preserved a remnant of the animals. God's covenant structure obviously extends beyond the mere salvation of individual souls: "And I, behold, I establish my covenant with you, and with your seed after you; And with every living creature that is with you, of the fowl, of the cattle, and of every beast of the earth with you; from all that go out of the ark, to every beast of the earth" (Gen. 9:9–10). The sign of this covenant of peace between God and man, and therefore between God and the animals under man's dominion, is the rainbow, which apparently was unknown prior to the great Flood. As long as the rainbow survives, God proclaimed, His covenant with the creation, both man and beast, will survive.

Noah's ark stands as the greatest single implement of ecology in the history of the creation. God had Noah select pairs of some animals, and seven pairs of the "clean" animals (Gen. 7:2). These would be preserved with food provided by Noah, and by the ark itself (Gen. 6). Man mediated God's common (preserving) grace to the animals. Christ also mediated between God and the animals, as well as between God and man, though not in the sense of mediating regeneration for the animals. His grace will eventually lead to the abolition of the curse on the animal world (Rom. 8:21).[4] Man's role is therefore ministerial under Christ, who in turn mediates between God the Father and mankind.

Men have responsibilities beyond their own species. The covenant of Genesis 9:1–17 places man in covenantal authority over the animals.

3. Chapter 12.

4. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 5.

This is why God put the fear of man in them. Animals feared Noah and his family, making it easier for Noah and his heirs to subdue the earth, for the long life spans granted to earlier generations were about to be removed (Gen. 6:3b). The ability of men to master the laws of creation in a single lifetime was also going to be steadily removed. The degeneration of culture prior to the Flood unquestionably resulted in reduced knowledge of the biblical principles of law, presumably including the laws of nature. Noah and his sons would not have the same ability to dominate nature that previous long-lived and covenantally faithful generations possessed, and God acknowledged man's weakened condition by placing the fear of man in the animals.

God holds back His final judgment in order to give men sufficient time to work out their salvation or damnation with fear and trembling (II Peter 3:9; Phil. 2:12). He will see all His plans fulfilled in time and on earth. He has guaranteed man that there will never again be a universal flood, and the rainbow is the token of His promise. But this sign also means that man is under the terms of the ecological covenant. The dread of man in the animals was put there in order to protect man, but also to provide him with additional authority over the animal kingdom. Authority is supposed to be used lawfully. *Our lawful authority is supposed to call forth our covenantal service*.

Men are supposed to serve the realm of nature analogously to the way that Noah served it. His own service in preserving the lives of the animals also benefited himself and his heirs. The clean animals that were preserved could then serve as a means of sacrifice before God (Gen. 8:20) and for food (Gen. 9:3). God's creation is therefore to be respected. Men have been given power over it; they therefore have a full responsibility to prune it and care for it. The earth is not supposed to run wild in terms of its own nature any more than mankind is supposed to run wild in terms of man's fallen nature. Nature, like man, is to be governed lawfully. Nature must not be allowed to remain autonomous and idle forever; neither is it to be destroyed by men in their pretended autonomy. *Responsible pruning must not become irresponsible destroying*. The rainbow reminds us: nature is under man, not over him, because God is over man, and His grace preserves both. We are to be husbandmen, loving and disciplining that which has been entrusted to us for our personal development and enjoyment, and also for the benefit of nature itself.

The ecological covenant of Genesis 9 is a recapitulation of the dominion covenant of Genesis 1:28. To fulfill the terms of the ecological

covenant, men need all their intellectual and cultural skills, including the implements of science, just as Noah needed knowledge and his great implement of ecology, the ark. Subduing the Earth involves just that, the subduing of all the earth. It is not simply an agricultural covenant, for man's life is intertwined in a total division of labor. We cannot artificially separate "agriculture" from "business," "science," and "technology." Each man's efforts are supposed to complement the efforts of his neighbor.

B. Narrow Evangelism

This fact of economic life was ignored by the Bible Presbyterian Church, a small American denomination which in 1970 rejected the concept of the cultural mandate. The delegates to the 34th Synod unanimously capitulated to their ecclesiastical director, Rev. Carl McIntire, concluding that God's requirement that we subdue the earth in no way refers to the broader aspects of culture. All God had in mind was maximum biological reproduction and agriculture. Commenting on Genesis 1:28, the Synod declared:

> This same command was renewed to Noah (Genesis 9) after the flood without any reference to the word "and subdue it." Furthermore, the verse has nothing to do with culture, in the present sense of the word. The so-called "cultural mandate" is based entirely on one word of the verse, the word that is translated "and subdue it." Like all words of Scripture, this word should be interpreted in context. Here the context is that of filling the empty earth with people. It says that the earth should be brought under cultivation, to enable these people to survive and multiply. That, and that alone, is what it means.[5]

So cut and dried! "That, and that alone, is what it means." But what does "that, and that alone" actually involve? How can we separate modern agriculture from the whole fabric of modern science, modern economics, and modern culture? How can any developing society segregate agriculture into some immediately post-Flood context, telling farmers that they, and they alone, are responsible for the fulfillment of this mandate, and that the dominion covenant refers to nothing outside the borders of the farm? One word suffices to categorize such biblical exegesis: ludicrous.

The Synod did not stop there. Having accepted one preposterous conclusion, it could not resist asserting another: "We oppose the

5. Cited in R. J. Rushdoony, *Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), p. 724.

'cultural mandate' also because it gives a false idea of the place of the Christian in this age of sin, and cuts the nerve of true missionary work and evangelism." In the Synod's framework, missionary work and evangelism are truncated operations. They would call men to repentance from their sins, but then leave them without concrete, specific guidelines for godly action in their day-to-day lives in the arts (why not pornography?), in business (why not false advertising?), in government (why not socialism?), in military affairs (why not a sneak attack?), and on and on. What are men to repent from? And once converted, what are they to do about the evils from which they have been converted? Should they go back "into the world" (as if conversion somehow removes us from this world) and practice the same things? Should newly converted pornographers continue reaping a fortune from selling pornography? Does a so-called conversion of the pornographer somehow baptize all future pornography published by "converted" publishers?

Why is the task of evangelism so narrowly defined? If the Synod had been consistent, at least the preaching of the dominion covenant would have been understood as valid for agricultural pursuits. But then the requirements for preaching the whole counsel of God would necessarily spread from agricultural pursuits to agricultural equipment manufacturing, and government land policy, and so forth, right back into the fearful world of reality, from which twentieth-century American fundamentalism fled for generations. Prior to the Presidential campaign of 1980, twentieth-century fundamentalists did not wish to be bothered with the hard discipline of providing guidelines—distinctly Christian guidelines—for every area of human life. So, they constructed a theology of zero or little social responsibility in order to justify their own laziness and lack of competence in the world outside the sanctuary.[6]

Conclusion

The ecological covenant of Genesis 9 cannot be separated theologically from the dominion covenant of Genesis 1. The ecological covenant is simply a corollary to the more comprehensive dominion cove-

6. See George Marsden, *Fundamentalism and American Culture: The Shaping of Twentieth-Century Evangelicalism, 1870–1925* (New York: Oxford University Press, 1980), especially chapter 10. See also Douglas W. Frank, *Less Than Conquerors: How Evangelicals Entered the Twentieth Century* (Grand Rapids, Michigan: Eerdmans, 1986). On the legitimacy of Christian social action see *The Journal of Christian Reconstruction*, VIII (Summer 1981): "Symposium on Social Action."

nant. Every man operates under the terms of this ecological covenant, whether he acknowledges the fact or not. No man can escape being judged in terms of his responsibilities before God to adhere to the terms of this covenant. A theology which in any way mitigates or denies the existence of this covenant is antinomian, meaning that it is in direct and flagrant opposition to the revealed will of God. Such a theology must be avoided.

19

THE WORLD TRADE INCENTIVE

Go to, let us go down, and there confound their language, that they may not understand one another's speech. So the L*ORD* *scattered them abroad from thence upon the face of the earth; and they left off to build the city.*

GENESIS 11:7–8

The theocentric issue here is sanctions: point four of the biblical covenant.[1]

The builders of the tower of Babel were attempting to construct a symbol of their unity—religious—cultural, linguistic, and political. Their symbol was to be a great tower, probably a Babylonian ziggurat, which was a multi-tiered structure that resembled stepping stones to heaven from whichever direction a person approached it. Men sought to "make us a name," that is, to define themselves and their existence autonomously. Like Adam, who named—defined, classified—the animals in the garden, these men also had the power of naming. They wanted to build a symbol of their unity in order not to be scattered (Gen. 11:4). They needed political and religious unity in order to enforce the unitary power to define mankind. They feared disunity, which would compromise the ability of a unitary name-giver to enforce its names and definitions. As Rushdoony commented: "In all religious faiths one of the inevitable requirements for logical thought asserts itself in a demand for *the unity of the godhead*. Hence, since humanity is god, there can be no division in this godhead, humanity.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

Mankind must therefore be forced to unite."[2] Humanism demands a unified god, namely, humanity, either through politics or free trade.

A. The Politics of Unity

What was the agency of this unitary aspect of mankind? It was the political order. Again, citing Rushdoony:

> The Tower of Babel was an attempt to force this apostate thesis of ultimate oneness and equality onto all mankind. There was to be no division among men, and no separation or discrimination, only an absolute unity. The religion and virtue or ethics of Babylon was to be the fact of humanity, and community was simply in the common fact of humanity. In the City of God, community is through the Redeemer in God; in the City of man, the Society of Satan, the ground of communion is a common humanity irrespective of any religious or moral differences. All differences must be suppressed in favor of the anonymity of union. The good life and the full life are in and through the State. The theological requirements for the unity of the godhead require this faith in the unity of humanity, its one true god. Hence, "Let us build us a city," a one-world order, and usher in paradise apart from God. . . . In terms of all this the meaning of the proclamation "Let us make us a *name*," becomes clear: let us be our own blessing, our own Messiah, saviour and god. Let us be our own creator, our own ultimate source of meaning and definition. Let there be no value above and beyond us; let man be the source of the definition, not the subject of it. Let man be beyond good and evil, and beyond meaning, since he is himself the source of all definition.[3]

The seemingly innocuous words, "Let us make us a name," are crucially important.

They had hoped to build a tower in order that they might not be scattered. Yet in attempting this project, they guaranteed their future scattering. They stood against God, and those who do not gather with God are scattered abroad (Matt. 12:20). God scattered them in order to restrain the outworking of their evil imaginations (Gen. 11:6). The quest for total unity in terms of principles other than those laid down in the Bible is a perverse quest. *Unity is to be confessional and ethical, not egalitarian or humanistic*. There are always distinctions in any community—different functions, different responsibilities, different skills (I Cor. 12).[4] The attempt therefore to construct a one-world order was

2. R. J. Rushdoony, *This Independent Republic: Studies in the Nature and Meaning of American History* (Vallecito, California: Ross House Books, [1964] 2002), p. 142.

3. R. J. Rushdoony, "The Society of Satan," *Christian Economics* (Aug. 4, 1964); reprinted in *Biblical Economics Today*, II (Oct./Nov. 1979).

4. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 15.

doomed from the start, for the nations survive throughout Bible history and will persist into the very city of God (Rev. 21:24–26). Such a one-state order has to involve extensive political centralization and therefore the loss of personal freedom and personal responsibility. By confounding their language, God removed the threat of totalitarian rule over the whole face of the earth. Secular totalitarian regimes are necessarily limited in geographical scope. The larger the geography of tyranny, the more resources must be wasted to maintain control. Productivity drops.

B. The Grace of Decentralization

As always, there was an element of grace within God's external judgment. While He stymied the pagans' centralized religious-political order with its pretensions of autonomy and absolute sovereignty, He simultaneously gave men conditions that were more favorable to political freedom. *Localism*, the criterion of a decentralized free order, could then be infused with another requirement of a free society, biblical faith.

Second, God tied this decentralization to the existence of separate languages. Apart from religion and direct family ties, there are few bonds, if any, that are more culturally binding than a shared language. When a language ceases to be spoken, it is because the society in which the language once flourished has been destroyed or scattered, or died out. God provided men with a key factor in the creation of a sense of community, without which human society cannot survive.

Third, God scattered them geographically. Economically, this was a very important aspect of God's judgment. Prior to the great Flood, there seems to have been a common climate. Mammoths found in the Arctic still have semi-tropical foliage in their stomachs, indicating a rapid cooling. Otherwise, the contents of the animals' stomachs would have rotted inside the stomachs before the frozen outer bodies had time to pass the cold to the inner parts. One estimate has placed the necessary external temperature at minus 150 Fahrenheit—in the middle of the "arctic" tropics![5] The change was widespread and rapid.

5. The most sophisticated estimates of the temperatures required to quick-freeze a Siberian mammoth are found in Joseph C. Dillow, *The Waters Above: Earth's Pre-Flood Vapor Canopy* (Chicago: Moody Press, 1981), pp. 383–96. His book provides an extensive bibliography of the source material, including Henry H. Howorth's out-of-print classic, *The Mammoth and the Flood* (London: Sampson Low, Marston, Searle & Rivington, 1887); Charles Hapgood, *The Path of the Pole* (Philadelphia: Chilton, 1970); Bassett Digby, *The Mammoth: And Mammoth Hunting Grounds in Northeast Siberia* (New York: Appleton, 1926). Dillow's is the best book to date on the universal climate before

After this cataclysmic alteration of the earth's tropical or semitropical climate, the mammoths no longer munched foliage in Siberia; a jungle no longer bloomed beneath the new ice of Antarctica. Men would now live in differing climates and on land with varying agricultural resources. They needed to specialize their economic production in order to increase output per unit of resource input.

Men desire more wealth. To attain their goals, they are forced to cooperate economically through voluntary exchange. Self-interest restrains the lust for blood, destruction, and rebellion in the hearts of men. God added the diversity of climates to the curse of the ground as an additional means of restraint on men's lawless activities. It was probably in Noah's time that the climates diversified with the breakup of the watery firmament above the earth. The linguistic separation came at Babel, perhaps a century later. So did the races of man. God was dividing and scattering men, yet He also saw to it that men had incentives to trade, for the curse of the ground still restrained men's productivity. It is likely that climatic differences, then as now, forced some nations into trade before others, but most eventually traded. Men would pursue increasingly specialized, and therefore increasingly productive and efficient, callings before God.

The scattering at Babel was therefore part of a two-fold process. First, it restrained the creation of a rebellious one-world political tyranny. God's response pointed to the illegitimacy of any political order based exclusively on the idea of monism, the ultimate One. Second, by providing teachable languages to the scattered populations, He restrained the creation of total anarchy and total nomadism. Family heads were divided from other family heads, but it was not a question of one language per person. God established a balance between *individualistic anarchy* and *totalitarian monism* in the politics and cultures of rebellious men. Families persevered.

Given the curse of the ground and the post-Flood diversity of climate, the scattering provided two important factors in an economic framework. First, it restrained the creation of a centralized socialistic bureaucracy. Second, it gave men an incentive to trade and thus gain access to the fruits of other cultures and other climates at low costs. Again, the one and the many were simultaneously recognized, this time in the economic realm: *the unity of trade amid diversity: international, racial, and cultural.*[6]

Noah's Flood, and the catastrophic climatic changes that the Flood produced.

6. On the philosophical problem of unity and diversity in Western thought, see R. J.

C. An Ancient New Idea

The relationship between Genesis 11 and world trade has been understood by scholars since at least the fourth century A.D. Libanius, the pagan instructor of Basil and John Chrysostom, held to the "scattering-trade" outline. Libanius was a defender of the legitimacy of international trade. In his *Orationes*, he wrote: "God did not bestow all products upon all parts of the earth, but distributed His gifts over different regions, to the end that men might cultivate a social relationship because one would have need of the help of the other. And so he called commerce into being, that all men might be able to have common enjoyment of the fruits of earth, no matter where produced."[7] Basil and Chrysostom picked up this idea and placed it within a Christian framework.[8] Theodoret, the fifth-century Bishop of Cyrus, a town about a two days' journey west of Antioch, held this view. We know he was influenced by the writings of Chrysostom.[9] Finally, Ambrose took up the idea. His *Hexameron* was a Latin adaptation of Basil's Greek title of the same name ("six days").[10] Not all the church fathers were equally favorable to trade, but at least a tradition was established, one which found adherents throughout the middle ages. As Jacob Viner stated in his 1966 lecture before the American Philosophical Society, which he did not live to put into final, fully documented form as a full-length book, as he had planned to do:

> I have the impression that there are few ideas of comparable age, subtlety, and prevalence with the idea whose history I have been commenting on, which have so often been received by modern scholars who encounter them in a text as being both important and novel. The origin of the idea of the interest of providence in commerce has been attributed by scholars to Bodin, to Calvin, to an English scholastic of the fourteenth century, Richard of Middleton, to an Italian Renaissance writer, L. B. Alberti, to Grotius, and to any number of others.[11]

For all we know, it may be found in the writings of someone even earlier than Libanius, but Viner had not discovered it any earlier.

Rushdoony, *The One and the Many: Studies in the Philosophy of Order and Ultimacy* (Vallecito, California: Ross House Books, [1971] 2007).

7. Cited by Jacob Viner, *The Role of Providence in the Social Order: An Essay in Intellectual History* (Philadelphia: American Philosophical Society, 1972), pp. 36–37.

8. *Ibid.*, p. 37.

9. "Theodoret," in John McClintock and James Strong (eds.), *Cyclopaedia of Biblical, Theological, and Ecclesiastical Literature* (New York: Harper & Bros., 1894), X, p. 320.

10. Viner, *Role of Providence*, p. 37.

11. *Ibid.*, pp. 37–38.

While it is not universally true that "where goods do not cross borders, armies will"—that old nineteenth-century slogan[12]—it is true that free trade will make more obvious the real economic costs of cutting off such exchange through military conquest, or attempts at conquest. It is built into post-Babel society that men, although scattered abroad, although divided by language and culture, although heirs of very different historic traditions, will always be faced with an economic lure to increase their productivity by trucking and bartering. Those who refuse to trade thereby reduce the size of their market, and as Adam Smith said so long ago, the division of labor is limited by the extent of the market.[13] By reducing its own national division of labor, a society reduces its per capita income, for it has necessarily reduced its per capita output. No society can choose to trade less without bearing the costs of forfeited per capita income. Trade brings added wealth.

Conclusion

The dominion covenant impels men to extend their control over the earth. The curse of the ground limits the productivity of solitary, autonomous men. The scattering of Babel has reduced the ability of central planning bureaucracies to substitute socialist allocation for voluntary exchange. The unity of mankind can be expressed through trade, but the diversity of cultures and environments prevents this economic unity from becoming the foundation of a bureaucratic one-state world. Unity and diversity are held in balance, or at least not tipped so far as to allow either to become totally destructive of society. The subduing of the earth can continue, therefore, by the operation of all these factors: the dominion covenant, the curse of the ground, the scattering of mankind, and free trade. When Viner chose as the title for his lectures, "The Role of Providence in the Social Order," he had the right idea.

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12. "If men and commodities are prevented from crossing the borderlines, why should not armies try to pave the way for them?" Ludwig von Mises, *Human Action* (New Haven, Connecticut: Yale University Press, 1949), p. 828.

13. Adam Smith, *The Wealth of Nations* (1776), ch. 3.

20

INVESTMENT AND CHARACTER

> *Now the* Lord *had said unto Abram, Get thee out of thy country, and from thy kindred, and from thy father's house, unto a land that I will shew thee: And I will make of thee a great nation, and I will bless thee, and make thy name great; and thou shalt be a blessing. . .*
>
> GENESIS 12:1–2

The theocentric focus of this passage is inheritance: point five of the biblical covenant.[1]

A. The Growth of Capital

It was not to some poor man that God came with His command; it was to Abram, a wealthy man who was "very rich in cattle, in silver, and in gold" (13:2). These three commodities were basic signs of wealth throughout Old Testament times, and all three served as money, especially the two precious metals. Abram's wealth was mobile, which is understandable, given the fact that he had already been uprooted once before, when his father left Ur of the Chaldees, heading for the land of Canaan, stopping in Haran and settling there (11:31). Now he was being called upon to move again, to continue the journey begun by his father.

Abram's nephew Lot, who was also wealthy, decided to accompany Abram. The two families held their wealth in the form of cattle, and so great were the herds that the land in any particular area of Canaan was not capable of sustaining all of them (13:6). The result was

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

conflict between herdsmen of the two families (13:7). The original patriarchs—Abram of the Israelites and Lot of the Moabites and Ammonites (Gen. 19:37)—were men possessing great capital resources. God in no way questioned the legitimacy of their wealth. He did not call them to redistribute it to the people of Ur of the Chaldees, or of Haran, or of Canaan.

Each man had a capital base to work with. The history of the two men illustrates a fundamental aspect of biblical economics, namely, the strong relationship in the long run between character and wealth (Prov. 13:22).[2] More precisely, there is a relationship between the preservation of capital (and even its great expansion) and investment decisions based on principle. Lot lost what he had, while Abram multiplied his capital.

By the standards of his day, the 75-year-old Abram was in the prime of his life. Sarah was 10 years his junior (17:17), yet she was sufficiently attractive that Abram devised a scheme of deception and called himself her brother (he was, in fact, only her half brother [20:12]), implying that he was not her husband, on two different occasions (12:11–20; 20:1–18). In this later incident, Sarah must have been in her nineties, unless Genesis 20 is a recapitulation of a journey earlier than the period in which God established His covenant with Abraham (Gen. 17). So, Sarah was able to maintain her good looks well into her later years. Abram himself lived until age 175 (25:7), which the Bible describes as "a good old age" (25:8). He had over half his lifetime before him when he was called by God to leave Haran and enter the land of Canaan. He wandered for many years.

At first, he dwelt in a mountain along with Lot (12:8). He waited 24 years for God to establish His covenant with him. He was circumcised at age 99 (17:24). Thirty-seven years after his circumcision, Abram purchased a final resting place for his wife and family, the burial field for Sarah. Even then, he proclaimed to the children of Heth, "I am a stranger and sojourner with you" (23:4). Though he was no primitive nomad, he nevertheless wandered through Canaan for many decades. It was not the sort of life that would commend itself to a patriarch, or a long-term investor, or a man who had been promised the whole territory (12:7). He was a pilgrim—a wanderer with a destination.

2. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs* (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 41.

B. Lot's Choice

In stark contrast to Abram, Lot was a man who seemed to possess solid, reliable economic instincts. He understood the value of land. When strife between his shepherds and Abram's convinced them both that a geographical parting of the ways had become a necessity, Abram gave Lot his choice of settlement. Lot chose the land in the plain of Jordan, for "it was well watered every where, before the LORD destroyed Sodom and Gomorrah, even as the garden of the LORD, like the land of Egypt, as thou comest into Zoar" (13:10). He decided to dwell in the cities of the plain, pitching his tent toward Sodom. The Bible informs us that "the men of Sodom were wicked and sinners before the LORD exceedingly" (13:13). Lot chose good land and poor company. He assumed that the ultimate form of capital is productive land.

Abram gave Lot his choice. He therefore agreed to go into the land of Canaan, less desirable property in those days than the well-watered lands of the plains of Jordan. Lot found himself in economically desirable circumstances from the point of view of externally measurable capital resources. But the company he was to keep, however limited his contact with them, always constituted a threat to his integrity and even his safety. He surrounded himself with evil men, and in the final days of his residence among them, they surrounded him (19:4). When God's judgment finally came upon his former neighbors, Lot found that members of his own household had been polluted by the perverse environment. His sons, married daughters, and sons-in-law all refused to believe his dire warnings of imminent destruction, so they were left behind to perish. His wife defied God's command and looked back at the city, suffering a unique judgment herself, leaving him a widower (19:26).

Lot paid dearly for his decision to live among members of a rebellious, perverse pagan society just for the sake of some productive land, a place where not even 10 righteous men could be found (18:13). He wound up dwelling in a mountain in his old age—exactly as he had when he had entered the land with Abram, but this time he had no cattle or other assets, and no future. All he had were his two unmarried daughters (19:8), who proved to be morally corrupt and totally pragmatic. They deceived him, causing him to commit incest in his drunkenness (19:32–35). His descendants from these two women became the Moabites and the Ammonites (19:37–38), and so vicious were those cultures that God stipulated that anyone from either tribe who chose to join the congregation of Israel would not

see his descendants become full citizens until the tenth generation (Deut. 23:3–4). They were an extension of the culture of Sodom, and in time, they partook of the same destruction as the cities of the plains (Zeph. 2:8–10). From great wealth to life in a cave: such was the fate of Lot's "investment portfolio."

Because of the ethical perversity of Sodom's residents, the land itself was put under a curse. It was burned, covered with salt, and thereby destroyed for future agricultural use (Deut. 29:23). So great was the destruction that afterward, the surrounding land of Canaan, by comparison, became known as the land flowing with milk and honey.

Lot had ignored the lessons of Adam and Noah: prosperity, in the long run, is the blessing of God to those who are faithful to His laws. The investment of one's capital should be made with this fact in mind. Lot invested in terms of visible wealth, the seeming permanence of the value of the land. At the end of his days, he saw his investment burned. What turned out to be a very impermanent store of value had lured Lot into a disastrous investment decision.

C. Freedom and Economic Growth

Character, human freedom, and long-term development of human capital are all more important than physical resources. Access to free markets is also very important. It has been a continuing error of modern scholars to focus on natural resources in their discussions of economic growth. Professor P. T. Bauer was one economist who did not made this mistake.

> Physical natural resources, notably fertile soil or rich minerals, are not the only or even major determinants of material progress, though differences in the bounty of nature may well account for differences in levels and ease of living in different parts of the underdeveloped world. It has always been known that physical resources are useless without capital and skills to develop them, or without access to markets. And the diminishing importance of land and other natural resources in production are also familiar. But the recent rapid development of such underdeveloped countries poorly endowed with natural resources has come as a surprise, though perhaps it should not have done so, in view of the Japanese experience. A recent but already classic case is that of Hong Kong, which has practically no raw materials, very little fertile soil, no fuel, no hydroelectric power, and only a very restricted domestic market, but which in spite of these limitations has progressed phenomenally. . . .[3]

3. P. T. Bauer, *Dissent on Development: Studies and Debates in Development Economics* (Cambridge, Massachusetts: Harvard University Press, 1972), p. 297.

> Throughout the western world severe barriers have had to be erected [Bauer was speaking of political necessity, not economic necessity, since he was an advocate of free trade—G.N.] to protect the domestic industries of the United States, Great Britain, Germany and France against imports from the unsubsidized competition of the industries of Hong Kong, an underdeveloped country, eight thousand or more miles away. This rapid progress has occurred in spite of the presence in Hong Kong of three features often said to reinforce the vicious circle of poverty, namely lack of natural resources, extremely severe population pressure, and a very restricted domestic market.[4]

Those accounts of economic growth which have focused so narrowly on natural resources have too frequently been undergirded by a philosophy bordering on environmental determinism, and in some cases this intellectual presupposition has been openly admitted.

On the other hand, Hong Kong is not an unquestioned case of superior morality. Its commitment to the free market and international free trade is too comprehensive. Since World War II, Hong Kong has become one of the major centers of the drug traffic. One of the reasons why Communist China allowed Hong Kong to exist was because Hong Kong served as a funnel for opium, heroin, and other illegal drugs that are produced in China and in Southeast Asia. This traffic served a dual purpose for Communist China: it provided much-needed foreign currency, and it was part of China's systematic war against the West in general and the United States in particular.

In 1965, at the beginning of the escalation of the war in Vietnam, China's prime minister and foreign affairs specialist Chou En-lai met with Egypt's leader, General Nasser. Speaking of the U. S. troops then stationed in Vietnam, Chou said: "…some of them are trying opium. And we are helping them. We are planting the best kinds of opium especially for the American soldiers in Vietnam.… Do you remember when the West imposed opium on us? They fought us with opium. And we are going to fight them with their own weapons. We are going to use their own methods against them. We want them to have a big army in Vietnam which will be hostage to us and we want to demoralize them. The effect this demoralization is going to have on the United States will be far greater than anyone realizes."[5] Hong Kong was an important part of Communist China's war against the West.

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4. *Ibid.*, p. 37.

5. Quoted by Mohammed Heikal, *The Cairo Documents* (Garden City, New York: Doubleday, 1973), pp. 306–7. Heikal heard Chou say this.

Conclusion

Godly men are instructed not to put their faith in earthly treasures (capital), where thieves break in and rust corrupts (Matt. 6:19–21).[6] Men are to build in terms of Christian character and biblical law. Their decisions are not to be guided primarily by the land in front of them but by the human capital at hand. An investment in terms of character may not reap immediate rewards. After all, Lot settled down in temporary comfort, while Abram wandered. But Abram became Abraham—"father of nations"—and his children and grandchildren were buried with him (Gen. 49:28–31; 50:13), while the burial location for Lot and his daughters is not mentioned. Abraham's commitment to character and his reliance upon the covenantal promises brought him visible blessings and rest in his old age. Lot, though a just man (II Peter 2:7), dwelt where his spirit was endlessly tormented (II Peter 2:8). He had left Haran with great wealth; he would leave Sodom with only the items he could carry away in an emergency retreat. He had traded internal peace for the seeming promise of external blessings, and he ended his life with neither internal peace nor external blessings.

God may, for a time, preserve the wealth of a rebellious culture for His own purposes. He may preserve it for the sake of a few godly men who dwell within the culture (Gen. 18:23–33). Nevertheless, when He brings down His wrath upon a culture, the faithful may have to make a grim and hasty retreat.[7]

6. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 13.

7. Forms of mobile capital, such as gold, silver, and precious stones, are sensible investments for Christians in times of social disintegration for this very reason. We should not look back, but it is wise to take something for the future along with us as we make our escape.

21

THE COVENANTAL TITHE

> *And Melchizedek king of Salem brought forth bread and wine: and he was the priest of the most high God. And he blessed him, and said, Blessed be Abram of the most high God, possessor of heaven and earth: And blessed be the most high God, which hath delivered thine enemies into thy hand. And he gave him tithes of all.*
>
> GENESIS 14:18–20

The theocentric focus of this passage is a sacramental system: bread and wine. This has to do with covenantal oaths: point four of the biblical covenant.[1] This sacrament is administered by a hierarchy: the church. Hierarchy is point two of the biblical covenant.[2]

This is the first reference to the tithe in the Bible. There is one other in Genesis: Jacob's promise to pay a tithe (Gen. 28:22).[3]

The story of this first tithe is peculiar. Abram was returning from a victory over an invading king, Chedorlaomer, who had kidnapped Abram's nephew Lot. The king had also defeated local kings and had taken spoils of war. Abram returned with these spoils. Then he came to meet with Melchizedek. Abram gave a tenth of the spoils of war to Melchizedek.

The reason for this payment was Melchizedek's position as a priest of God. As a priest, he was entitled to a tithe of all increases. Abram had not been living under his jurisdiction previously. This time, however, he was returning into the region where Melchizedek had lawful

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. Sutton, ch. 2; North, ch. 2.

3. Chapter 28.

jurisdiction. Abram gave him a tenth of the spoils, which Chedorlaomer had removed from the region. This was wealth that was now under Abram's lawful control. Abram had added to his wealth by means of a military victory. He therefore paid a tithe on this increase.

A. A Priestly Payment

Paying a tithe is a mark of ecclesiastical subordination. Abram was directly under God. There was no intermediary structure of ecclesiastical authority. Abram was therefore a household priest. He was not under the authority of local priests in Canaan. He did not acknowledge the jurisdiction of these local priests. He had not paid tithes to them. He was a stranger in the land.

When Abram profited under the jurisdiction of a priest, he acknowledged his subordination by paying a tithe. This was his lawful obligation. The text says that Melchizedek was the priest of the most high God. There was therefore another priest in Canaan. This priest was superior to Abram, the household priest. Abram therefore owed him a tithe on whatever wealth he had gained while operating within the territory.

Melchizedek was a priest because he possessed the authority to announce blessings: positive sanctions. "Blessed be Abram of the most high God, possessor of heaven and earth: And blessed be the most high God, which hath delivered thine enemies into thy hand." He then served Abram what became New Testament sacraments: bread and wine. Up until this time, there had been no reference to a meal shared with a priest. This was clearly a sacramental meal. Therefore, Abram paid him a tenth of his spoils after Melchizedek announced these blessings. Melchizedek's authority to offer such blessings to Abram on God's behalf, and also offer a confession of subordination was a mark of his priestly office.

Melchizedek was also a king. "And Melchizedek king of Salem brought forth bread and wine: and he was the priest of the most high God" (Gen. 14:18). Did Abram pay this tithe because Melchizedek was a king or a priest? Both. According to the New Testament, Melchizedek was a priest who set the pattern for Jesus Christ (Heb. 7). Jesus is both King of kings (Rev. 19:16) and the high priest. We read:

> For this Melchisedec, king of Salem, priest of the most high God, who met Abraham returning from the slaughter of the kings, and blessed him; To whom also Abraham gave a tenth part of all; first being by interpretation King of righteousness, and after that also King of Salem, which is, King

> of peace; Without father, without mother, without descent, having neither beginning of days, nor end of life; but made like unto the Son of God; abideth a priest continually (Heb. 7:1–3).

The central argument of the Epistle to the Hebrews is that Melchizedek's priesthood was the forerunner of Christ's priesthood. Christ possesses kingly authority just as Melchizedek did. Christ changed the priesthood from Levitical to Melchizedekal.

> For the priesthood being changed, there is made of necessity a change also of the law. For he of whom these things are spoken pertaineth to another tribe, of which no man gave attendance at the altar. For it is evident that our Lord sprang out of Juda; of which tribe Moses spake nothing concerning priesthood. And it is yet far more evident: for that after the similitude of Melchisedec there ariseth another priest, Who is made, not after the law of a carnal commandment, but after the power of an endless life. For he testifieth, Thou art a priest for ever after the order of Melchisedec (Heb. 7:12–17).

Melchizedek was a high priest. He was both a king and a priest. This was unique. This was not true under the Mosaic covenant, where the offices were separate. The kingly tribe was Judah. The priestly tribe was Levi. This separation ended with Christ. His forerunner was Melchizedek.

Abram, a household priest, paid a tithe to the high priest. This was a token of his subordination. Abram's subordination covenantally represented Levi's subordination.

> Now consider how great this man was, unto whom even the patriarch Abraham gave the tenth of the spoils. And verily they that are of the sons of Levi, who receive the office of the priesthood, have a commandment to take tithes of the people according to the law, that is, of their brethren, though they come out of the loins of Abraham: But he whose descent is not counted from them received tithes of Abraham, and blessed him that had the promises. And without all contradiction the less is blessed of the better. And here men that die receive tithes; but there he receiveth them, of whom it is witnessed that he liveth. And as I may so say, Levi also, who receiveth tithes, payed tithes in Abraham. For he was yet in the loins of his father, when Melchisedec met him (Heb. 7:4–10).

B. Surrendering the Leftovers

Abram paid the tithe to Melchizedek. That entitled him to the remaining 90%. He kept none of this booty.

> And the king of Sodom said unto Abram, Give me the persons, and take the goods to thyself. And Abram said to the king of Sodom, I have lift up mine hand unto the Lord, the most high God, the possessor of heaven and earth, That I will not take from a thread even to a shoelatchet, and that I will not take any thing that is thine, lest thou shouldest say, I have made Abram rich: Save only that which the young men have eaten, and the portion of the men which went with me, Aner, Eshcol, and Mamre; let them take their portion (Gen. 14:21–24).

Abram refused to take his legitimate share of the goods. Why? Because he wanted it clear to all concerned that *he was God's agent*, not the king of Sodom's agent. The victory had come because God had intervened. Why had God intervened? Because Abram was God's agent. He represented his nephew Lot. Lot was under his protection. Lot had been kidnapped by an invading king (Gen. 14:12).

Abram's success on the battlefield with a small military force testified to the sovereignty of God over history. Abram fully understood his situation. He was a stranger in Canaan. God would later remind him of this, as if he needed any reminding. "And I will give unto thee, and to thy seed after thee, the land wherein thou art a stranger, all the land of Canaan, for an everlasting possession; and I will be their God" (Gen. 17:8). He was therefore under the authority of strangers. He was a pilgrim going from place to place, a man without a city of his own.

It was one thing to operate only with the consent of strangers. It was another to take anything of value from them, other than the right to wander with his flocks. He had demonstrated his power by defeating an invading enemy that had defeated local kings. He had shown that he, not local kings, was the regional force to be reckoned with. He had shown them all that his God, not theirs, was sovereign. In fact, they operated at the discretion of his God, as the king of Sodom discovered shortly thereafter (Gen. 19).

Abram was unwilling to give the king of Sodom any way to claim victory in this matter. So, he let the king of Sodom keep the remaining spoils. It was obvious who was in charge here: Abram. He granted wealth to the king of Sodom, not the other way around. By accepting this payment, the king of Sodom was symbolically acknowledging who was in charge here: Abram's God.

The king of Sodom did have an available alternative to this humiliating arrangement. He also could have walked away from the spoils. That would have been a costly act of public nonsubordination to Abram's God. He could have paid a tithe to Melchizedek.

This would have been an admission that Abram's God was in charge: point one of the biblical covenant.[4] It would have merely changed the answer to point two: "To whom do I report?" That this king-priest represented Abram's God had already been affirmed by Abram, who tithed to him and accepted a sacramental meal from him. The king of Sodom could have given Melchizedek a tenth of the spoils left to him by Abram. By doing this, he would have publicly acknowledged his total subordination to Melchizedek. But he still would have had to acknowledge his military subordination to Abram. It was Abram who had walked away from the spoils. At best, the king of Sodom could have maintained autonomy only as a "me, too" ruler.

There is no indication in the text that he gave a tithe to Melchizedek. He was not given a communion meal either. He was outside the covenant. Melchizedek did not ask him for a tithe, nor did he offer to serve him a covenant meal. God is not dependent on covenant-breaking man for His support. He also does not give him access to a covenant meal.

Conclusion

By giving a tenth to Melchizedek, he was acknowledging two things. First, he was subordinate to Melchizedek. Second, he possessed lawful title to all of the spoils. He gave 10% of these spoils. *This act was a legal claim to the other 90%*. The king of Sodom did not offer a tithe, because he did not initially have control over this wealth. Abram was making it plain to all concerned: he was fully in control of the situation as God's steward, just so long as he acknowledged the superior authority of Melchizedek. By visibly subordinating himself to Melchizedek, the priest of the most high God, he visibly demonstrated his lawful authority over the spoils. Then, with a contemptuous dismissal of the king of Sodom, he walked away from the wealth. What was extra wealth to him, after all? It was a means of paying his tithe to Melchizedek—nothing more.

Abram tithed to Melchizedek because *Melchizedek was a superior priest*. The sign of his priestly office was his serving of bread and wine to Abram and his blessing of Abram. He delivered positive ecclesiastical sanctions: the sacraments and a blessing. In doing so, he brought the sons of Abraham under his ecclesiastical authority.[5]

4. Sutton, *That You May Prosper*, ch. 1. North, *Unconditional Surrender*, ch. 1.

5. Gary North, *The Covenantal Tithe* (Powder Springs, Georgia: American Vision, 2011).

22

THE GROWTH OF HUMAN CAPITAL

And he brought him forth abroad, and said, Look now toward heaven, and tell the stars, if thou be able to number them: and he said unto him, So shall thy seed be. And he believed in the LORD; and he counted it to him for righteousness.

GENESIS 15:5–6

The theocentric issue here is inheritance: point five of the biblical covenant.[1]

A. Sons of Abraham

The word of the Lord came to Abram in a vision, saying: "Fear not, Abram: I am thy shield, and thy exceeding great reward" (Gen. 15:1). Abram's response is illuminating. After learning of his covenantal protection (shield) by God and his reward from God, Abram immediately asked for more. What is significant is that he asked about his lack of children. "And Abram said, Lord GOD, what wilt thou give me, seeing I go childless, and the steward of my house is this Eliezer of Damascus? And Abram said, Behold, to me thou hast given no seed: and, lo, one born in my house is mine heir" (15:2–3).

1. Biblical Covenants

Abram's candid response reveals that he knew a great deal about biblical covenants. He knew that the protection and favor of God accompany a calling before God. This meant that Abram's capital assets would now be administered within an explicit covenantal framework.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

Who, then, would be the heir of these assets? Who would carry on the faithful administration of Abram's capital? Abram clearly understood the long-term nature of property under a covenant. Capital is to be used faithfully, expanded, and directed into the hands of one who will continue the faithful administration of the assets. Prior to the nineteenth century and the development of the limited liability corporation, capital was primarily familistic capital. This transgenerational responsibility required that someone else in Abram's house would have to be trained for long-term capital management in terms of a theocratic covenant. Who should it be? Eliezer, the Damascan? Was this the person God had chosen to continue the faithful administration of Abram's capital? Abram was already a man of great wealth (Gen. 13:2) and leadership abilities (14:13–24). Nevertheless, he was not yet a patriarch in a culture that placed high esteem on family authority. For any future-oriented Old Testament saint, the office of father was a cherished one indeed. As far as Abram was concerned, his lack of an heir was cause for great concern. What was the meaning of God's covenant with his household if he had no son or daughter?

God answered his question with a promise: his seed would be as numerous as the stars visible in the heavens (15:5). Abram believed God, and it was counted to him for righteousness (15:6). The promise also involved the future acquisition of land to serve as a home for his heirs (15:16).[2] Both promises were fulfilled in Joshua's day. Seventy of his direct descendants, plus their servants, went into Egypt, and 600,000 men, plus their families, emerged at the exodus (Ex. 12:37). Moses was specifically told that this was the fulfillment of God's promise to Abraham concerning the expansion of his seed, for the Israelites were "this day as the stars of heaven for multitude" (Deut. 1:10; cf. 10:22).

The Promised Land was also significant in terms of the covenant. Abram's heirs would not always be strangers in another land as Abram was, nor would they forever live as pilgrims. Strangers seldom exercise long-term dominion over whole cultures, except in cases of military conquest, and empires inevitably fragment when the centralized political sovereignty can no longer enforce its decisions at the extremities of the empire, or even inside the capital city. Nomads do not build civilizations either, and God did not intend His people to remain pilgrims forever. They had a final destination, a land to subdue.

Children were important to Abram, not merely because of the cultural standards of the Canaanitic tribes that surrounded him, but

2. Chapter 23.

because of several distinctly theological reasons. First, the gift of children was important for the preservation of the covenant line prophesied by God to Eve (Gen. 3:15). It seems quite probable that Abram knew about this prophecy to Eve (John. 8:56). Second, the task of cultural dominion was—and is—intimately linked with the expansion of human numbers (Gen. 1:28;[3] 9:1[4]). Third, a man's heirs—intellectual, spiritual, and biological—were part of his concern for linear history. This is not to say that other cultures besides the Hebrews did not hold children in high esteem, but the concern of these pagan cultures was not with linear history. The Greeks and Romans held male children in high esteem for a distinctly religious reason: the sons were family priests who alone could administer the family's rites, century after century. Should these rites be abandoned by any son, and not renewed by his son, then the family's long line of ancestors would be left to roam the shadows of the nether world in darkness. The concern of classical religion was therefore limited to future family rites, not long-term covenantal dominion. There was an inherent past-orientation and otherworldliness in classical religion, for it was to bring peace to one's ancestors, and to guarantee one's own peace in the afterlife, that one needed male heirs. Future generations were therefore important for the sake of long-dead ancestors.[5]

2. Future Orientation

In stark contrast to classical religion, Hebrew faith looked to the future. The covenants of the past were important, but not for the sake of the past. They demonstrated God's personal concern with, and commitment to, a special people selected by Him to perform important tasks in history. *The covenants of the past were tokens of victory in the future*. The psychology was altogether different from the dominant themes of classical religion. Eve was to look to the future, for her seed would battle the serpent's seed. Noah was given hope: no future deluge would destroy his heirs. Abram was promised a nation out of his loins; God changed his name to Abraham, "father of nations," when He announced the nature of the covenant (17:4–5). This covenant included the promise of the land (17:8). All of these features of the covenant related to God's original dominion covenant. The sure

3. Chapter 4.
4. Chapter 18.
5. Fustel de Coulanges, *The Ancient City: A Study on the Religion, Laws, and Institutions of Greece and Rome* (Garden City, New York: Doubleday Anchor, [1864] 1955), Books I and II.

nature of God's word secured the future to Abraham's descendants. The dominion covenant would be extended by a new nation, as yet unborn. The faith of the Old Testament saints was to be in linear, irreversible historical development controlled by God. Men and women were to play an important role, in time and on earth, as parents. This work had meaning because of God's covenants and requirements.

Part of Job's testing was the loss of all his children (Job 1:18–19), as well as the loss of his material wealth (1:14–17). His blessings consisted of the restoration of his wealth beyond what he had possessed before (42:12), as well as the birth of ten children (42:13). As a final gift, he was granted a long life (42:16–17). In short, he was given the capital he needed to begin once again to exercise dominion over the earth as a godly family man: tools, children, and time.[6]

Children are basic to the covenant and a sign of God's unmerited favor to man: "Lo, children are an heritage of the LORD: and the fruit of the womb is his reward" (Ps. 127:3). Children are blessings—not blessings in disguise, but blessings—within the framework of the covenant of grace. The broader dominion covenant also implies that children are a blessing in time and on earth, since men and women are told to reproduce, and obedience involves blessings. The all-inclusive nature of the dominion covenant does not mean that the element of cursing on the day of judgment has been overcome merely by the willingness of people to have large families. But in time and on earth, children are a blessing.

The growth of his family, resulting in millions of descendants, was unquestionably basic to the Abrahamic covenant. As far as Abraham was concerned, the modern ideal of zero population growth would have been an acceptable one... for the Canaanites. The promise of ultimate victory in Canaan necessitated the extermination and expulsion of the enemies of God from the land (Gen. 15:16, 18–20; Ex. 23:31; Josh. 21:44). When the Israelites left Egypt, they were given a promise by God: their covenantal faithfulness would result in a society without miscarriages, either of animals or humans. In the same breath, God promised them long life: "... the number of thy days I will fulfill" (Ex. 23:26b).[7] The "old folks" would be allowed to get even older. The earth would therefore be filled and subdued by cov-

6. Gary North, *Predictability and Dominion: An Economic Commentary on Job* (Dallas, Georgia: Point Five Press, 2012).

7. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990), ch. 59.

enantally faithful people far sooner. When you lower the death rate of infants by eliminating miscarriages, and you simultaneously lower the death rate of adults, you create ideal conditions for an historically unprecedented "population explosion." Yet this was the promise of God to a people who had just undergone the most rapid expansion of population in recorded human history.[8]

The fulfillment of the covenant was inescapably linked to the declining influence of the ungodly in Canaan. *As the numbers of the faithful increase, the ungodly decrease*. This was basic to the Abrahamic covenant, as well as to the revelation presented to Abraham's descendants immediately prior to the military invasion of Canaan (Deut. 1:10). God preferred the expansion of man's numbers and man's dominion in comparison to the dominion over the land by the wild animals (Ex. 23:29–30), but He much preferred the expansion of His special people and their dominion over the land instead of continued dominion by the Canaanites.

B. The Demographics of Defeat

It was indicative of the widespread secularism and defeatism in late twentieth-century Western culture that population in the industrial states slowed down radically. French population growth has been slow ever since the middle of the nineteenth century, increasing by about 41% from 1861 to 1974 (37 million to 52 million).[9] Ireland, after the devastating famines of the 1840s, became Europe's only zero population growth state. In fact, Ireland's population actually shrank from 8 million in 1841 to 6.5 million in 1851, and from there to about 4.5 million in the early 1970s (counting the population of Northern Ireland, which is part of Great Britain today).[10] Ireland, however, remained an essentially agricultural nation, and France was far more agricultural after 1850 than the other Western European industrial nations, which did experience population growth in the same period. The Netherlands grew from 2 million in 1816 to 3 million by 1849, and by 1975 the population was well over 13 million.[11] In 1871, Germany had some 41 million; by the mid-1960s, the combined populations

8. *Ibid.*, Part 1, ch. 1.

9. B. R. Mitchell, *European Historical Statistics, 1750–1970* (New York: Columbia University Press, 1976), p. 20; *The World Almanac & Book of Facts, 1976* (New York: Newspaper Enterprise Association, 1976), p. 615.

10. Mitchell, p. 21; *World Almanac*, pp. 627 (Ireland), 663 (Northern Ireland).

11. Mitchell, p. 22; *World Almanac*, p. 640.

of East and West Germany were in the range of 73 million.[12] Where European industrialization flourished between 1850–1950, there was considerable population growth.

This shift has begun to catch the attention of the demographers, the specialists in population changes. After 1957, the birth rate in the United States began to plunge. The fertility rate in 1957 was 3,767 births per 1,000 women, meaning that the average woman was bearing almost four children in her years of fertility.[13] By 1975, the fertility rate had fallen to about 1,800 per 1,000 women, or 1.8 children per woman. Since the replacement level of population in the United States is 2.1 children per woman (because some children do not bear children), the United States was no longer reproducing sufficient children to replace the parents when they die. This was the lowest birth rate in United States history.[14] This was a prosperity-induced slowdown, in contrast to the 1930s slowdown, the years of international economic depression. The percentage of women in the United States labor force has risen continuously, so that 45% of American workers were women by the mid-1970s.[15] By 2008, this was 60%.[16]

West Germany was facing the same problem. The fertility rate was believed to have fallen to about 1.65 children per woman in 1978. The German birth rate fell by a startling 50% from the mid-1960s to the mid-1970s. At 1.65 children per woman, the 60 million West Germans in 1978 will produce losses in total population until their extinction is reached around 2500 A.D.[17] But the reported statistics were incorrect. The fertility rate had fallen to 1.4 in 1977, where it remained in 2007.[18]

The Eastern European nations have experienced similar declines in births. In mid-1970s Hungary there were 150 abortions for every 100 births. By 2007, Hungary's fertility rate was below Germany's: 1.35.[19] With the exception of Romania, where abortions were outlawed in 1966, all Soviet bloc nations experienced falling birth rates. Aside from Romania, only East Germany experienced a temporary

12. Mitchell, p. 20; *World Almanac*, p. 618.

13. *U. S. Department of Commerce, Social Indicators, 1976* (Washington, D.C.: Government Printing Office, 1977), Table 1/6, p. 26.

14. *Final Report*, Select Committee on Population, U.S. House of Representatives, 95th Congress, Second Session, Serial F, House Report No. 95–1842 (Jan. 5, 1979), p. 5.

15. *Social Indicators, 1976*, Table 8/4, p. 371.

16. "Quick Stats on Women Workers, 2008," United States Department of Labor.

17. *New York Times* (April 28, 1978). See also "People Shortage: West European States See Economic Troubles As Birth Rates Decline," *Wall Street Journal* (Aug. 23, 1979).

18. Chart, "Fertility rate," Google.

19. *Idem*.

increase as a result of a major shift in government policy in 1976, and the beginning of a program offering substantial maternity benefits. Before the program was implemented, in 1976 East Germany had the lowest birth rate of all Soviet bloc nations, and it was by far the most industrialized.[20] With the merging of East and West Germany in 1990, the rate was reduced to West Germany's 1.4.

A Library of Congress Congressional Research Service report, which is periodically updated for use by Washington legislators, announced in 1976: "Responsibility for world population control rests with the whole world community."[21] What did this mean? That a world government should control people's decisions to have children? That some international committee should establish guidelines? Is such a goal feasible in the real world? Should it even be considered? What are the implications for the growth of the messianic state?

What we find, then, is that the optimistic future-orientation of Western industrial populations between 1850 and 1960 had important effects on the growth of population. Now, however, that confidence has faded along with birth rates. The present-orientation of young couples who delay having children for the sake of a higher present income is creating a demographic disaster for the state-created retirement and medical care programs, since not enough young workers will be able to fund them by the year 2030, unless birth rates increase, or unless the older generation is systematically exterminated by the young in a program of euthanasia.[22] The welfare state faces bankruptcy.

The American Social Security system was statistically doomed, from the very beginning. Those who entered the system at its inception in 1937 paid in $30 per year (maximum bracket), and their employers paid in $30. Using the inflation calculator of the Bureau of Labor Statistics, we learn that prices were 15 times higher in 2010 than in 1937. That would make the co-payments worth $900 in 2010 dollars. By 2010, each worker paid 7.65% of his wages, and his employer matched this, up to $106,800. Total payment: $16,340. Then an additional 1.45% from both is paid on wages above $106,800. Of course, many families have two members in the work force, so the family tax payment may be more.

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20. Associated Press story, *Durham Morning Herald* (Sept. 1, 1978).

21. Congressional Research Service, Library of Congress, *World Population Control*, Issue Brief #IB74098 (June 25, 1976).

22. In 2010, taxes on wages generated less revenue than Social Security payments. The deficit was funded by general tax revenues and borrowing. The same was true of the Medicare system.

The very first lady to receive a Social Security check, Ida Fuller, retired in 1940, after having paid in $24.75. She died in 1975 at age 100. Her total benefits were just under $23,000.[23] She was a winner. The taxpayers paid her winnings. Ironically, it was 1975 that marked the first year of a deficit in the Social Security program.[24]

Government officials assure voters that all benefits will be paid. This is either a mistake or a lie, or else the economy will collapse under the tax burden. If the program is not officially abolished, it will mean the destruction of the American dollar. This was admitted by James Cardwell, then the director of Social Security, in response to a statement by Senator William Proxmire in 1976. This exchange took place:

> Proxmire: . . . There are 37 million people, is that right, that get social security benefits.
>
> Cardwell: Today between 32 and 34 million.
>
> Proxmire: I am a little high; 32 to 34 million people. Almost all of them, or many of them, are voters. In my State, I figure that there are 600,000 voters that receive social security. Can you imagine a Senator or Congressman under those circumstances saying, we are going to repudiate that high a proportion of the electorate? No.
>
> Furthermore, we have the capacity under the Constitution, the Congress does, to coin money, as well as to regulate the value thereof. And therefore we have the power to provide that money. And we are going to do it. It may not be worth anything when the recipient gets it, but he is going to get his benefits paid.
>
> Cardwell: I tend to agree.[25]

Underdeveloped nations have received Western medical aid, which has enabled far more infants to survive. They have pesticides. "But more important as causative factors in the sharp drop in infant mortality which set off the population explosion," wrote economist Peter Drucker, "were two very old 'technologies' to which no one paid any attention. One was the elementary public-health measure of keeping latrine and well apart—known to the Macedonians before Alexander the Great. The other one was the wire-mesh screen for doors and win-

23. Social Security Administration: http://bit.ly/IdaFuller

24. "Ida Mae Fuller," *Wikipedia*.

25. *The Social Security System*, Hearings Before the Joint Economic Committee, Congress of the United States, 94th Congress, Second Session (May 26–27, 1976), pp. 27–28. Printed by the Government Printing Office, 1977. The Social Security System's unfunded liabilities are dwarfed by the unfunded liabilities of Medicare.

dows invented by an unknown American around 1860. Both were suddenly adopted even by backward tropical villages after World War II. Together they were probably the main causes of the population explosion."[26] Drucker had a tendency to focus on unique and previously ignored historical factors in offering explanations for historical change, but this argument is certainly plausible. The immediate benefits of not having flies and other bothersome insects buzzing around the house were deemed to be worth the financial sacrifice involved in buying screens. Tribesmen did it for themselves, but an immediate side effect was a reduction in infant mortality. A simple imported technology from the West reshaped the underdeveloped world, yet few of the consumers involved had any knowledge of the cause-and-effect relationships among certain insects, disease, death, and demographics.

The commitment to larger families has not been dislodged in these populations, yet far fewer children must be born in order to have several of them survive into adulthood. So, the underdeveloped societies have become the short-run beneficiaries of the West's technology, yet without the attitudes that enabled the West to expand agricultural and industrial productivity to accommodate the increased number of surviving youths. The result is a large increase of population. The socialistic, envy-dominated, underdeveloped nations without Western freedom and without Western attitudes toward thrift and capital accumulation—the old Protestant ethic—now face a demographic crisis. Will famine eventually strike these societies?

C. The Demographics of Dominion

Biblical economics affirms that children are a blessing, since they are a form of personal capital. Men are to become effective stewards of God's resources. They are to invest in their children by constantly training them in the precepts of biblical law (Deut. 6:7). They are to encourage them to take up a productive calling before God. But parents are entitled to a return on their investment. Children are supposed to provide for their parents in the latter's old age. Parents are therefore to be honored (Ex. 20:12).[27] Honoring God involves giving of one's financial substance (Prov. 3:9).[28] Parents are also deserving of

26. Peter F. Drucker, *Management: Tasks, Responsibilities, Practices* (New York: Harper & Row, 1974), p. 330.

27. North, *Authority and Dominion*, ch. 24.

28. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs* (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 8.

just this kind of honor. Jesus strongly criticized the Pharisees of His day for their denial of this law, in the name of tradition. They refused to support their parents by claiming that they were themselves without assets, having "given to God" all that they had (Mark 7:6–13).[29] Christ repudiated this "higher spirituality" in defiance of God's law. Children must support aged parents. The parents get the financial security they deserve; their investment in their children is returned to them in a direct fashion. This increases the likelihood that parents will honor their obligations while their children are young. The family becomes a trans-generational economic unit—one worth investing in.

James A. Weber's book, *Grow or Die!* (1977), is a compelling, lucid antidote to the zero-growth advocates, such as E. J. Mishan and Garrett Hardin. It cited the remark of Alfred Sauvy, director of the Institut de Demographie at Paris University and the past president of the United Nations Commission on Population. Sauvy wrote that a "stationary or very slowly moving population does not benefit enough from the advantages of growth. There is no historical example of a stationary population having achieved appreciable economic progress. Theoretically, it is not impossible, but in practice, in our period especially, it does not happen."[30]

Simon Kuznets, the distinguished economist and winner of the Nobel Prize in economics in 1971, devoted his career to a series of studies of national income: its formation, statistics, and consequences. In an important essay published in 1960, Kuznets made some pertinent observations. There is an important relationship between people's faith in the future and high birth rates. "Contrariwise, a constant or slowly growing population is implicit evidence of lack of faith in the future."[31] Kuznets warned against relying on what we can see—the limits of material resources—to the exclusion of those factors that we cannot yet see, such as human creativity. As he wrote, "There is no excuse for the consistent bias in the literature in the field, in which the clearly observable limits of existing resources tend to overshadow completely the dimly discernable potentials of the new discoveries, inventions, and innovations that the future may bring. Perhaps only

29. Gary North, *Trust and Dominion: An Economic Commentary on Mark and John* (Dallas, Georgia: Point Five Press, 2012), ch. 10.

30. James A. Weber, *Grow or Die!* (New Rochelle, New York: Arlington House, 1977), p. 21.

31. *Ibid.*, p. 3. This quotation is taken from Simon Kuznets, "Population Change and Aggregate Output," in *Demographic and Economic Change in Developed Countries* (Princeton: Princeton University Press for the National Bureau of Economic Research, 1960).

those who are alarmed rush into print whereas those who are less concerned with the would-be dangers are likely to be mute."[32] Thus, concluded Weber, we should not look at a zero population growth as beneficial.

> This is not to say that there are not disadvantages to population growth. To increase population obviously requires that an "investment" be made in more children, more new people. And, as with any future-oriented investment, this means that a sacrifice involving more work or less consumption or both must be made today in the interests of achieving greater population growth tomorrow. Conversely, if all children below working age suddenly vanished today, we could all immediately enjoy the "advantage" of consuming more and working less tomorrow, although the achievement of such an "advantage" would obviously be short-sighted as well as short-lived."[33]

The modern Pied Pipers, our zero and negative population growth (i.e., contraction) advocates, seem to ignore the long-run implications of their policies. When they retire to live off their government subsidies (e.g., Social Security and Medicare payments), they will be grateful for all those younger workers and taxpayers who are still willing and able to support them. "Honor thy father and mother" is a meaningless phrase in a world without children. Why not produce more children to do the honoring?

There is a continuing relationship in the Bible between seed and subduing. Genesis 1:28 commanded mankind to be fruitful and multiply (seed) and to subdue the earth. After the Fall of man, God's covenantal promise to Eve involved her seed: hers would bruise the head of the serpent (Gen. 3:15), and God's curse on Adam involved the ground and his efforts to subdue it (Gen. 3:17–19).[34] The importance of genealogies in Hebrew culture was based on this promise to Eve: tracing the covenant line and the lines of those who had become the seed of Satan. The covenant with Noah repeated the command to be fruitful and multiply and replenish the earth (Gen. 9:1),[35] and God told Noah that the animals would fear man from that time on: "into your hand they are delivered" (9:2b). Furthermore, "Every moving thing that liveth shall be meat for you; even as the green herb have I given you all these things" (9:3). Again, the earth's fruits belong

32. *Ibid.*, p. 175.
33. *Ibid.*, p. 38.
34. Chapter 12.
35. Chapter 18.

to mankind. Abraham received two promises—the promise of a land (12:1) that would be given to his seed (12:7). Here would be a land for Abraham's seed to subdue to the glory of God. God promised David both seed and a permanent throne, the symbol of dominion. Speaking of Solomon, God said: "He shall build an house for my name, and he shall be my son, and I will be his father; and I will establish the throne of his kingdom forever" (I Chron. 22:10). Psalm 89 is even more explicit: "I have made a covenant with my chosen, I have sworn unto David my servant, Thy seed will I establish forever, and build up thy throne to all generations. Selah" (3–4). Again, "His seed also will I make to endure for ever, and his throne as the days of heaven" (29). The ultimate fulfillment of this promise came with Jesus Christ.

> And the angel said unto her, Fear not, Mary: for thou hast found favor with God. And, behold, thou shalt conceive in thy womb, and bring forth a son, and shalt call his name JESUS. He shall be great, and shall be called the Son of the Highest: and the Lord God shall give him the throne of his father David: And he shall reign over the house of Jacob forever; and of his kingdom there shall be no end (Luke 1:30–33).

It is Jesus Christ, the "seed born of a woman," who is the recipient of, and fulfillment of, the promises. It is Jesus who finally announces, "All power is given unto me in heaven and in earth" (Matt. 28:18).[36] Christ has total power today. He is steadily subduing His enemies. This is why Paul could write to the Roman church, "the God of peace shall bruise Satan under your feet shortly" (16:20a). We believers are now the seed of Christ: "And if ye be Christ's, then are ye Abraham's seed, and heirs according to the promise" (Gal. 3:29). The church is the Israel of God: "And as many as walk according to this rule, peace be on them, and mercy, and upon the Israel of God" (Gal. 6:16).

What does it mean to be heirs of the promise? Are we to receive everything apart from any conditions? In the area of justification, all is by grace (Eph. 2:8–9), but sanctification is equally by grace: "For we are his workmanship, created in Christ Jesus unto good works, which God hath before ordained that we should walk in them" (Eph. 2:10).

Both sanctification and justification are unearned gifts of God, in the sense that both are freely bestowed by God. Nevertheless, the grace of God was operating in the Old Testament era; justification was by grace in that era, and so was sanctification. What, then, is the source of our external blessings? *Sanctification*: the progressive disci-

36. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 48.

plining of ourselves and our institutions to conform to God's criteria of righteousness. We are His seed; we are therefore to subdue the earth. The *seed-subduing relationship* still exists. As we exercise godly dominion in terms of the concrete standards of biblical law, we are given greater quantities of resources. We are to use these resources as a means of extending God's visible kingdom even further. We are to subdue those institutions that are under our authority, even as we are to subdue the lusts of the flesh in our own personalities. *We are heirs of the promise, and we must be heirs of the inheritance.* We are the Israel of God, and we are under the same requirement to subdue the earth to the glory of God in terms of His revealed standards of righteousness. God's work done in God's way: here is our dominion covenant. Here are our marching orders. We are under a sovereign Commander. We have assignments, conditions to meet; as we meet those conditions as faithful subordinates, we will receive promotions individually, and the church will be victorious in time and on earth.

The external blessings of God are offered in response to society's external, covenantal conformity to the standards of biblical law (Deut. 8; 28). These blessings include the expansion of inanimate capital goods (Deut. 8:7), wealth in livestock (Deut. 8:13), and food (Deut. 8:8–9a). The promised expansion also applies to human capital, namely, children. The clearest statement of this principle of growth is found in Deuteronomy 28: "Blessed shall be the fruit of thy body, and the fruit of thy ground, and the fruit of thy cattle, the increase of thy kine, and the flocks of thy sheep" (v. 4).[37] By calling into question the lawfulness and benefits of an expanding population within a godly culture, the advocates of zero population growth thereby challenge the whole concept of the dominion covenant. They simultaneously challenge the validity of the covenant of grace, which is the theological foundation of a society's partial fulfillment of the dominion covenant.

It is not surprising that the intellectual leaders of the zero population growth movement in the late twentieth century inhabited the temples of secular humanism in all their tenured safety, namely, the universities. Ironically, zero population growth is the primary economic threat to those employed by the universities, because a reduced birth rate inevitably reduces the applications for admission to colleges two decades later. The only way to "stay even" is to lower the

37. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 69.

academic standards of the university and admit students who would never have qualified had there been an increasing number of available applicants. In other words, the success of the academic proponents of zero population growth in convincing educated members of the public to have fewer children leads to a deterioration of academic performance by future users of university services, not to mention the eventual dilution of quality in the faculties themselves. God will not be mocked at zero cost to the mockers.

Nothing can grow at a constant rate forever. The effect of "positive feedback," meaning compound growth, is to push life against the inescapable limits of the environment. If, for example, the population of the world in the 2010, some 6.8 billion people, were to increase at 1% per annum for a thousand years, the world's population in human beings alone—not to mention the supplies of beef or other animals to feed them—would be over 147 trillion. Either the rate of increase slows eventually to zero, or less, or else we run out of time. But this is precisely the point: *exponential growth, meaning compound growth, points to a final judgment, the end of time*. If the growth process is God-ordained in response to a society's covenantal faithfulness, then the day of judgment should become the focus of men's concern and hope. History is not unbounded. The zero-growth advocates assume that resources are finite, that history is indefinite, and therefore growth has to be called to a halt eventually. The Christian response is different: growth is legitimate and possible, resources are indeed limited, and therefore the end of history will arrive before the growth process is reversed, assuming society does not first return to its ethically rebellious ways, thereby bringing on temporal judgment (Deut. 8:19–20; 28:15–68).

Conclusion

Any attempt to challenge the ethical legitimacy and economic possibility of an epoch of long-term compound growth, which is the product of God's external blessings for covenantal faithfulness, is nothing less than paganism. Such an attack is based on a philosophy of history that is unquestionably pagan, either cyclical time or unbounded temporal extension. The goal of both views of history is the same: *to deny the possibility of an impending final judgment*. Compound growth points to final judgment. So, humanists are faced with a major problem: either the growth must stop or history must end, and most Western humanists in positions of academic, economic, or po-

litical responsibility are afraid or unwilling to admit the existence of this dilemma. They want endless progress and growth, and the "numbers"—compound growth rates matched against finite resources—testify to the impossibility of achieving both goals. A few have become zero-growth advocates; most simply prefer to ignore the problem.

Christians who have not been strongly influenced by contemporary humanism should answer: let us have ethical conformity to God's law, let us have the external blessings (including larger families)[38] that are promised by God in response to ethical conformity, let us extend regenerate mankind's dominion across the face of the earth, and let us pray for final judgment and the end of the curse of time. To pray for any other scenario is to pray for the social goals of paganism.[39]

38. North, *Authority and Dominion*, ch. 1: "Population Explosion."

39. *Ibid.*, Appendix B: "The Demographics of Decline."

23

A GUARANTEED INHERITANCE

But in the fourth generation, they shall come hither again: for the iniquity of the Amorites is not yet full.

GENESIS 15:16

The theocentric focus here is inheritance: point five of the biblical covenant.[1]

Abram was concerned about his lack of a biological heir (v. 2). Here, God assured him that there would be a sufficient number of heirs to conquer the land in which he was wandering. God promised Abram that his heirs would inherit the Promised Land. Abram could rest assured that he was a pilgrim, not a nomad. He had a destination: right where he was. The future belonged to those who would bear his name, because God's name was on Abram. Abram was the patriarchal founder of a family covenant. He was not yet Abraham, the father of nations.

The promise was fulfilled four generations after the heirs of Abraham went down into Egypt, the nation not named by God (v. 13). The first generation that was born in Egypt was Kohath's. The second was Amram's. The third was Moses'. The fourth was Joshua's.

Why was there a need for a delay? Because inheritance is by ethics as well as by promise. So is disinheritance. The people of the land of Canaan in Abram's day were wicked. God designated them all as Amorites. Their wickedness was not yet full. In the fullness of time, the heirs of Abram would claim their inheritance. God's word is sure. This prophecy would be fulfilled.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010, ch. 5.

God offers common grace to evil people. It is common because it does not offer redemption from sin and eternal death. It is grace because it is not merited or deserved by the recipients. The Amorites would continue to extend their dominion over the land. They would accumulate capital. This capital would become the inheritance of the sons of Abram. The wealth of the sinner is laid up for the just (Prov. 13:22).[2]

The idea of compounded sin is taught clearly in this passage. Sin compounds over time if it is left unchecked. It is not static. The Amorites would continue to become ever more ethically consistent with their covenant-breaking religion. They would become more evil. As their sin compounded, they would move closer to their corporate and individual day of reckoning in history. They were already disinherited sons of God. Their condition as judicially disinherited sons would be revealed in history at some point. That point would be in the fourth generation of the sons of Abram who would be born in Egypt.

Abram was a powerful man. He commanded troops. These troops had defeated the invading king, Chedorlaomer. The invader had defeated the troops of five cities, yet Abram's comparatively small handful of servants had defeated the invader (Gen. 14). The local Amorites had good reason to fear Abram and Abram's God.

God told Abram that the day of inheritance was at least four centuries in the future (v. 13). It was clear that Abram would not live to see that day. Yet the promise meant everything to him, for it secured the inheritance of a childless man. The promise was tied to ethics: the rebellion of the Amorites. This delay was basic to God's covenant. The disinheritance would not come until the Amorites had been given sufficient time to condemn themselves. In the American phrase, God would give them enough rope to hang themselves. God's covenantal structure would become visible to the recipients of his common grace when this produced common wrath. The connection among ethics, sanctions, and inheritance would be visible to winners and losers alike.

The message of this passage should be clear: *delayed gratification is basic to dominion*. It would take generations to produce the conditions to make possible the transfer of the inheritance. *Dominion is by covenant, not by power.* Abram would have to wait on God for a son. His son would have to wait on the Amorites to fill up their corporate cup of wrath. This would take time.

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2. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs* (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 41.

The process of compounding takes time. For a time—many centuries—the kingdom of God and the kingdoms of covenant-breaking men grow side by side. The Amorites would extend their dominion, God promised. The sons of Abram would multiply. The land of Egypt would prosper. There would be success on all sides. Yet the successes of the Amorites and the successes of the Egyptians would prove to be short-lived. The sons of Abram extracted the inheritances of the recently deceased sons of Egypt at their departure from Egypt (Ex. 12:36). A generation later, the sons of the exodus generation inherited the Promised Land.

God was telling Abram to be patient. The day of inheritance would surely come, but Abram would not see it. He would participate covenantally as the father. This should be sufficient. God's promise was sure. Abram did not need to consider war in his day as the way to inherit. War would be the means of the transfer centuries hence. God's promise was its judicial basis.

This promise should encourage covenant-keepers of every generation not to become discouraged at seeming defeats. God told Abram that his heirs would be under the domination of another nation (v. 13). But that nation would subsequently come under God's judgment (v. 14). The promised heirs had a promise to comfort them in times of affliction. This was the promise of a secure inheritance.

Conclusion

The promised inheritance required faith on Abram's part and on the part of his heirs. There would be a great victory. There would also be years of affliction. Both promises were basic to the family covenant God was about to renew with Abram. Genesis 15 is a chapter on covenant renewal. So is chapter 17. It reinforced the terms of the covenant. God would impose negative sanctions on the Amorites at the appropriate time. That event would constitute the fulfilling of the covenant's promise.

24

HOSPITALITY

> *And Abraham hastened into the tent unto Sarah, and said, Make ready quickly three measures of fine meal, knead it, and make cakes upon the hearth. And Abraham ran unto the herd, and fetcht a calf tender and good, and gave it unto a young man; and he hasted to dress it. And he took butter, and milk, and the calf which he had dressed, and set it before them; and he stood by them under the tree, and they did eat.*
>
> GENESIS 18:6–8

The theocentric issue here is sanctions: point four of the biblical covenant.[1]

A. Food in Reserve

This is the story of a debt-free man who had food in reserve. This is always a good idea. In Abraham's day, having meat in reserve was not common. To share it with guests was for a special occasion. The West is so rich today that it no longer is.

When unexpected visitors arrived at Abraham's tent, he immediately responded by offering them hospitality. Hospitality is basic to biblical religion. This is one of the two most famous examples of hospitality in the Old Testament. (The other is Jael's "hospitality" to Sisera [Judges 4:17–22].) His guests were in fact angels. Abraham did not know this. There is a New Testament phrase which says, "Be not forgetful to entertain strangers: for thereby some have entertained angels unawares" (Heb. 13:2). That was what Abraham did.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992). ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

B. The Cost of Hospitality Then

So important is hospitality in the New Testament that the apostle Paul designated hospitality as one of the requirements for holding church office. "A bishop then must be blameless, the husband of one wife, vigilant, sober, of good behaviour, given to hospitality, apt to teach" (I Tim. 3:2).[2]

The ideal of hospitality rests on the assumption that God has been hospitable to us. He has shown grace to us. We are like visitors who show up in front of God's tent. We are traveling light. God rewards us with blessings that we do not deserve.

A person who shows up at your front door today is unlikely to expect hospitality. He certainly does not expect you to invite him in, so that he could spend the night and have several meals at your expense. We live in a different society from Abraham's. In his day, there were no nearby motels. There were very few restaurants for travelers. Someone who shows up on your doorstep today is probably not in need of food and shelter.

Hospitality is a way of showing grace to others, a way of demonstrating care and concern for other people. It is also a way of demonstrating that you have economic reserves. You have food to share, and you are willing to share it. You are not in need of the basics of life. You have savings to draw on. You are not spending all of your reserves. You have a pantry full of food. You enjoy positive cash flow.

The assumption of traditional hospitality is that most people will not request it most of the time. There are limited resources at any family's disposal. But someone who prepares to show hospitality recognizes that, under certain circumstances, frequently unpredictable, there will be somebody on your church's doorstep who is in need of hospitality. So, he donates to the church's hospitality fund.

In a society with limited wealth, showing hospitality is one of the ways that someone demonstrates his concern for people outside his own family. This is universally recognized as a mark of a good person. Word gets out. This softens resistance to the message of the gospel, which is surely a message of God's hospitality to us. We act out in our lives what we say we believe about the relationship between God and His people. Hospitality is way to put faith in action.

2. Gary North, *Hierarchy and Dominion: An Economic Commentary on First Timothy*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 4.

C. The Cost of Hospitality Today

It takes resources to show hospitality. A family has to be willing and able to save a portion of its income for hospitality. While the obligation to demonstrate hospitality is not on the same level as the obligation to help someone in a life-threatening emergency, it has the characteristics of an emergency. First, it requires prior thrift. Second, it requires a willingness to share. Third, the person in need of hospitality shows up unexpectedly. Fourth, the person showing hospitality should make it clear that this is not a quid pro quo. It is not sharing something in order to get something. It is sharing on something other than a self-serving basis. Jesus taught and when we invite people into our homes, they should be people from whom we expect no reciprocal offer. This is why He said we should invite in the poor.

> Then said he also to him that bade him, When thou makest a dinner or a supper, call not thy friends, nor thy brethren, neither thy kinsmen, nor thy rich neighbours; lest they also bid thee again, and a recompence be made thee. But when thou makest a feast, call the poor, the maimed, the lame, the blind: And thou shalt be blessed; for they cannot recompense thee: for thou shalt be recompensed at the resurrection of the just (Luke 14:12–14).[3]

In the modern industrial world, most people own a refrigerator. They have food in reserve. This is much easier to do today, because refrigeration is inexpensive. It makes a form of saving possible: food in reserve. The modern freezer is a popular appliance, because people can purchase food when it is on sale at a bargain price. Smart shopping involves purchasing in bulk when prices are attractively low. Also, bulk purchases usually are less expensive per ounce than smaller purchases.

A refrigerator and a freezer make hospitality possible on a moment's notice. In agricultural societies before the advent of electricity, people had to have beef on the hoof in order to offer anyone a dinner that served beef. It was an important sacrifice on the part of the hospitable person to kill an animal in order to feed a stranger. This degree of sacrifice required capital. The average family did not have a spare animal to sacrifice for a meal.

One of the marks of the wealth of the West is the fact that most families have food in reserve. It is not a major sacrifice when we show hospitality to a stranger. God has shown great hospitality to us as

3. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 34.

residents in a modern industrial society. This hospitality is unprecedented in human history. Yet residents of modern societies become used to the enormous wealth at their disposal. They do not think anything about having meat in a freezer that they can share when a guest arrives unexpectedly. The cost of being hospitable in today's world is much less than it was in Abraham's day.

Nevertheless, it does cost money to buy a refrigerator and a freezer. These are capital investments. It also costs a lot of money to stock a freezer with meat. To do this effectively, a person should not use debt. He must be in a position of positive cash flow. He benefits because he can pay cash. He can take advantage of opportunities.

A credit card enables us to take advantage of opportunities, but it makes it much more expensive for us to pay for the opportunities we have already taken advantage of. Future payments reduce our ability to take advantage of new opportunities. Opportunities must be paid for. We can pay with money saved, or we can pay with borrowed money. The difference is profound. One of the means of payment is future-oriented. The other means of payment is present-oriented. The Bible recommends future-orientation. This is why the Bible, when believed, produces thrift. It produces people who accumulate capital. It produces people who can show hospitality without digging deeply into their savings.

There is less household hospitality in modern society than there was in Abraham's day. There is less need for household hospitality today. There are motels and restaurants, and transportation per mile is fast and cheap. People can journey to a destination without stopping off at a stranger's house. We do not expect strangers to expect hospitality. This is a mark of our wealth. It is a sign that we rely more on impersonal market forces to supply us with our needs. We are not dependent on hospitality. We do not want to become dependent.

There is a famous line in the play *A Streetcar Named Desire*, where a poverty-stricken distant relative, who has arrived unexpectedly to move in with a comparatively poor family, announces: "I have always relied on the kindness of strangers." In modern society, this is perceived as a defect of character. This is because the wealth of modern society has reduced most people's dependence on hospitality. The thrift that was once required to show hospitality can be used to invest or to fund organizations that offer hospitality. The result of this investment has been enormous productivity and enormous output per capita. We invest more, so society requires less hospitality.

The opportunities to show family hospitality today are limited. Hospitality is shown by churches and rescue missions. We donate money to them to act on our behalf.

Conclusion

Abraham had animals in reserve. He was ready to show hospitality to strangers. He demonstrated his wealth and his generosity by sharing meat with his guests. These guests brought him important news regarding Sodom, where his nephew Lot lived. The strangers brought news from the outside world. This was a common payment for hospitality in the world before the telegraph. The difference was, they brought news regarding what would happen, not what had happened.

25

ESCAPE FROM THE WILDERNESS

> *And Abraham rose up early in the morning, and took bread, and a bottle of water, and gave it unto Hagar, putting it on her shoulder, and the child, and sent her away: and she departed, and wandered in the wilderness of Beer-sheba. And the water was spent in the bottle, and she cast the child under one of the shrubs. And she went, and sat her down over against him a good way off, as it were a bowshot: for she said, Let me not see the death of the child. And she sat over against him, and lift up her voice, and wept. And God heard the voice of the lad; and the angel of God called Hagar out of heaven, and said unto her, What aileth thee, Hagar? fear not; for God hath heard the voice of the lad where he is. Arise, lift up the lad, and hold him in thine hand; for I will make him a great nation. And God opened her eyes, and she saw a well of water; and she went, and filled the bottle with water, and gave the lad drink.*
>
> GENESIS 21:14–19

The theocentric issue here is inheritance: point five of the biblical covenant.[1]

Sarah had told Abraham to cast them out of the family. He had listened to his wife, as he usually did, but he was saddened by what he had done. He had thrown out his own son. Ishmael was about 14 years old at the time. What father wouldn't be depressed about having to send away his son, even though his son had not done anything terribly wrong? All he had done was laugh at Isaac, whose very name means laughter. But that was enough to enrage Sarah.

God told Abraham not to worry, that God would make of Ishmael a great nation. He told Abraham that Ishmael would not represent

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

Abraham covenantally in history. That position of authority would be inherited by Isaac. But God was not going to destroy Ishmael or Hagar.

God did not bother to tell this to Hagar. So, as she and her son wandered in the wilderness, they found no water. They ran out of the water which Abraham had given to them. Eventually, Ishmael collapsed. The Bible says that Hagar put him under a bush. This was not an infant. He was about 14 years old, a year older than when he was circumcised at 13 (Gen. 17:25). It is obvious that they had been without food and water for a considerable period. God had stretched them to the limit.

Finally, Hagar cried out to God. She did not ask for deliverance. She simply told God she did not want to see her son die. She had given up all hope. She told God this as her final testimony. Only at this point did the angel of God reveal the truth to her. God had set apart Ishmael, meaning that He had sanctified him, so that he could be a founder of a nation.

At that point, Hagar saw that there was a well nearby. There was a source of water, which meant that there was a source of life.

The angel of God had told her that her son would grow to be a leader of men. Only then did God reveal the means by which Ishmael would be restored. Hagar took some water to him, and held him up with one hand (21:18). Presumably, she reached behind his back, lifted him up, and gave him something to drink. That restored him. He was then able to continue growing. He became a great archer (21:20).

We have a lesson here. Hagar did not have sufficient faith in God. She believed that her son would soon die, and she would die after him. She knew enough about the relationship between God and man to pray to God. She explained her situation. She did not ask for deliverance, but she did point out to God the serious situation in which she and her son found themselves. She had no confidence that God would deliver either of them. But, just to make certain that she departed from life in communication with God, she prayed to him, telling him of her concern.

It was not that Hagar had no confidence at all in God. She knew that God exists. She knew that God listens to the prayers of men and women. She wanted to explain herself before she died. She did not want to die while out of touch with God. So, she had some knowledge of the way God deals with mankind. But, in the final analysis,

she did not have very much trust in God. She did not see God as a deliverer. She saw him as a judge. She wanted to explain herself to the judge, but she was not begging for mercy.

Only after she admitted that she could no longer handle her own affairs did God reveal to her that her son had a great future. Only then did He reveal to her that she was within walking distance of a well. She had not seen that well. There was her physical deliverance, right in front of her, and she had not seen it.

God deals with people in distress in the same way that He dealt with Hagar. He lets them wander aimlessly in the wilderness. He waits for them to call upon Him. There is no evidence from the text that Hagar had prayed to God prior to this. Even in dire straits, she did not pray for deliverance. We are not told why.

Here was how Hagar was delivered. First, she laid her son under a bush. This might give him some shade, but it would only delay death for a little time. Second, she walked away from him. She did not want to see him die. Third, she explained her situation to God. She did not ask for deliverance. Fourth, God revealed to her the fact that he had not withdrawn his blessing for her son. Her son would not die. Fifth, she looked around and saw a well.

Conclusion

Hagar was driven into the wilderness. She did not have common sense. She waited until she had completely run out of alternatives, meaning opportunities, before she finally sat down and told God about her problem. She should not have waited so long.

Hagar wanted to get out of the wilderness, but she did not see the way out. Deliverance was right in front of her. She did not see this. There was a well in the wilderness. There was an oasis. It was not free. The price of obtaining this water was self-discipline, obedience, and faith. This has not changed.

26

COMPETITIVE BARGAINING

And Jacob said, Sell me this day thy birthright. And Esau said, Behold, I am at the point to die: and what profit shall this birthright do to me? And Jacob said, Swear to me this day; and he sware unto him: and he sold his birthright unto Jacob.

GENESIS 25:31–33

The theocentric issue here is inheritance: point five of the biblical covenant.[1]

A. Economic Oppression

Throughout the Bible, there are warnings against economic oppression. Men are not supposed to take advantage of weaker neighbors, widows, strangers, or those temporarily in need. Regarding food supplies, men are warned not to hold supplies off the market in order to obtain a higher price. "He that withholdeth corn, the people shall curse him: but blessing shall be upon the head of him that selleth it" (Prov. 11:26).[2] It should be understood that this prohibition on "forestalling" does not involve the civil government. The state is not to set arbitrary prices for the sale of food (or any other scarce economic resource). The sanctions are social (cursing by the public) and the loss of a blessing from God. Food may be sold legitimately at a profit, but it is supposed to be sold, not hoarded for the sake of obtaining a

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

2. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs* (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 32.

higher price. The passage in Proverbs refers to large-scale commercial agriculture, since the forestalling involves sufficient quantities of corn to enrage the general public. It is unlikely that such an outcry would be aimed at someone who was hoarding only enough corn to feed his family, since a man is responsible for the welfare of his family (I Tim. 5:8), and since the withholding of such small quantities could hardly impose a major burden on the whole community. The frame of reference is the withholding of so much grain that local prices are affected, such that the sale of this grain represents a substantial benefit to the community.

Given this perspective on food sales, must we categorize Jacob as an oppressor? Or is it legitimate to classify him simply as a successful bargainer?

Bargaining in this family was an accepted tradition, after all. Jacob's grandfather had tried to negotiate with God Himself, who appeared to Abraham in a pre-Incarnation form of a man in the plains of Mamre. Abraham had tried to lower the price of preserving Sodom. Would God preserve the city for the sake of 50 righteous people? Yes? How about 45? Fair enough? How about 40? But that is a fairly considerable sum. What about 20? All right, here is my last offer: Will you spare the city for the sake of ten righteous people? And God, knowing that only Lot was righteous in the city, graciously agreed to each reduction of price offered by faithful Abraham (Gen. 18:22–32). In the language of the modern marketplace, Abraham was asking God to spare the city for a "wholesale" price. God in no way rebuffed this continual bargaining process as somehow immoral or in poor taste. Yet he was asking God to preserve a perverse society for the sake of only a handful of righteous men—a declining handful. He bargained.

B. Esau's Character

The New Testament's assessment of Esau is clear enough: he was a profane person, "who for one morsel of meat sold his birthright" (Heb. 12:16). He "despised his birthright" (Gen. 25:34b). In his heart, the man was a murderer (Gen. 27:41). Though he was entitled to the double portion of the inheritance because he was the firstborn (Deut. 21:15–17),[3] in terms of his personal character, he was to be regarded as the second son. God loved Jacob (an astonishing miracle of grace)

3. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 50.

and hated Esau even before they were born (Rom. 9:10–13). God's promise had been with Jacob from the beginning (Gen. 25:23). God hated Esau from the beginning, and He laid waste to his heritage (Mal. 1:3).

Nevertheless, had not Esau come to his brother in time of great need? Didn't he deserve lawful consideration from Jacob? Didn't he announce that he was dying of starvation, making his birthright worthless in his own eyes (25:32)? Shouldn't Jacob have had compassion on his dying brother, comforting him in his hour of crisis? Didn't Jacob in fact owe food to Esau? Yet he actually bargained with him for the starving man's birthright. Can we regard Jacob's actions as ethical?

Before commenting on the biblical account of the relationship between Jacob and Esau, we must first understand something about hunger, food deprivation, and actual starvation, which are not the same things. We are told in verse 29 that Esau was "faint." Yet the obvious reaction of Esau after his meal indicates that this faintness was anything but a faintness unto death.

Herbert Shelton, an advocate of supervised fasting as a means of attaining good health, documented numerous cases of individuals who have fasted well over a month. He cited a statement by Dr. Ragnar Berg, a Swedish biochemist: "One can fast for a long time, we know of fasts over a hundred days duration, so we have no need of fearing that we will die of hunger."[4] In March of 1963, a couple was rescued in northern British Columbia. Victims of a plane crash, the pair had gone without food for over a month and a half. They had survived in their lean-to by drinking water and sitting by the fire. The lady, who had been somewhat overweight before the crash, had lost 30 pounds. The man, who had been more active during the fast, had lost 40 pounds. Physicians who examined them announced that they were in "remarkably good" condition.[5] Shelton gave an account of one 70-year-old victim of asthma. The man was placed on a complete fast for 42 days under a physician's care. He experienced a major asthma attack the first night of the fast; subsequently, all symptoms disappeared, never to return.[6] Fasts of similar lengths have been supervised by two physicians who specialize in treating overweight pa-

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4. Herbert Shelton, *Fasting Can Save Your Life* (Chicago: Natural Hygiene Press, 1978), p. 28.

5. *Ibid.*, p. 26.

6. *Ibid.*, pp. 17–19.

tients, Dr. Lyon Bloom of the Piedmont Hospital in Atlanta and Dr. Garfield Duncan of the University of Pennsylvania.[7]

The feelings of hunger that bother fasting individuals generally disappear within 36 hours, Shelton reported.[8] The fast should end, he said, only when hunger returns, which can be a month later. This reappearance of hunger is not accompanied with hunger pains. "The hungry person is conscious of a desire for food, not of pain or irritation. It is a false appetite that manifests itself by morbid irritation, gnawing in the stomach, pain, the feeling of weakness, and various emotionally rooted discomforts."[9] The fact, then, that Esau was "faint" does not prove that he was biologically desperate for food.

It is important to bear in mind the fact that God had promised Rebekah that two separate nations would arise from her sons (Gen. 25:23). This indicated that a separation based on ethical standing before God would eventually take place, since "two manner of people" would be born. The covenant line, the true heirs of God's promises, would be extended through the younger son. God's hostility to Esau and his descendants, the nation of Edom, was implacable (Mal. 1:2–3).

Therefore, when Esau came before Jacob to request a meal, Jacob was confronting an enemy of God. Moreover, this enemy possessed a very valuable capital asset, namely, legal title to the birthright that was due to the eldest son. If this birthright had remained with Esau, then an important transfer of capital would not have taken place. The Edomites would be the heirs of the blessing. Yet the Edomites were not to be the heirs of God's promises, something God had revealed to Rebekah.

It is true that Esau was Jacob's brother, biologically speaking. The question then arises: Did Jacob owe his biological brother a free meal? Was it immoral for Jacob to refuse to give his biological brother a free meal? If he did owe a free meal to Esau, morally though not legally, then he was clearly being selfish when he began to bargain for one.

C. Subsidizing Evil

Are we acting immorally and selfishly when we enter into a voluntary economic exchange with the enemies of God, instead of giving them

7. *Ibid.*, p. 24.

8. *Ibid.*, p. 23. I have personally fasted for six consecutive days without food or juices, and I experienced no problems. My hunger pains were minimal.

9. *Ibid.*, p. 33.

everything they ask for, irrespective of who they are, what they plan to do with our assets, and what their present condition of strength happens to be? Is a voluntary exchange less preferable than an unconditional gift to an enemy of God? If the enemy of God is not actually destitute, and therefore not totally dependent upon our mercy, must we heed his every request for a free handout? If so, where does the Bible say so? Must we subsidize evil men?

"In the name of Christian charity," wrote Rushdoony,

> we are being asked nowadays to subsidize evil. Every time we give in charity to anyone, we are extending a private and personal subsidy to that person. If through our church we help an elderly and needy couple, or if we help a neighboring farmer with his tractor work while he is in the hospital, we are giving them a subsidy because we consider them to be deserving persons. We are helping righteous people to survive, and we are fulfilling our Christian duty of brotherly love and charity. On the other hand, if we help a burglar buy the tools of his trade, and give him a boost through a neighbor's window, we are criminal accomplices and are guilty before the law. If we buy a murderer a gun, hand it to him and watch him kill, we are again accessories to the fact and are ourselves murderers also. Whenever as individuals in our charity, or as a nation in that false charity known as foreign aid and welfare, we give a subsidy to any kind of evil, we are guilty before God of that evil, unless we separate ourselves from the subsidy by our protest.[10]

His conclusion is straightforward: "We need therefore to call most of which passes for charity today exactly what it is. First, it is a subsidy for evil. Second, it involves a penalizing and taxing of the righteous in order to subsidize evil, and this penalizing of the godly is an important part of this false charity. Third, basic to this kind of action is a love of evil, a preference for it and a demand that a new world be created in which evil will triumph and prevail."[11]

D. The Birthright

If you had been given the responsibility of offering counsel to Jacob, what would have been the proper advice? Would you have told him that he owed a meal to his lawless brother? If so, then your counsel would have meant the loss of the value associated with the birthright. If Esau was willing to trade his birthright for a meal, which was the case, then he was asking Jacob not simply to give him a free meal, but

10. R. J. Rushdoony, *Bread Upon the Waters* (Nutley, New Jersey: Craig Press, 1969), p. 5. This book is a compilation of columns Rushdoony wrote for *The California Farmer*.

11. *Ibid.*, p. 6.

rather *to give him permanent possession of the birthright*. If Jacob was in a position to ask for and receive the birthright he cherished, which Esau despised, as the Bible says, then to fail to make the transaction meant *giving up the birthright that was virtually in his hands*. It was not simply the value of the food that Jacob would have had to forfeit, but the value of both the food and the birthright—the birthright that Esau valued less than food.

To understand the nature of this exchange, consider verse 34: "Then Jacob gave Esau bread and pottage of lentiles; and he did eat and drink, and rose up, and went his way: thus Esau despised his birthright." What an astounding recovery from the brink of death! A few moments before he had announced that he was facing a life-and-death crisis. Yet after one hearty meal, he sauntered out undaunted. The New Testament does not say that he traded his birthright away for his life; he traded it away for "one morsel of meat." One morsel of meat is not the dividing line between life and death. He wanted a handout. He did not deserve mercy.

What are we to make of Esau's words? Did he really believe that he was facing death from imminent starvation? If so, he was present-oriented to a fault, His stomach was growling, and he simply could not bear the discomfort. Another possible interpretation is that he was lying to Jacob about his condition. He wanted a meal and thought he could play upon Jacob's sympathy. This indicates that the two did not get along well to begin with—a reasonable assumption, given Jacob's plain ways and Esau's skills as a hunter (25:27). But, in all likelihood, Esau was present-oriented. How else could he justify his willingness to give up his birthright for a mess of pottage? Would any future-oriented man have traded so much for the sake of so little? He justified his willingness to enter into such a woefully ridiculous exchange by feigning near starvation. Once the transaction was consummated, he did not even bother to keep up the pretense. He got up and went his way, leaving his birthright behind. Then he despised his birthright, a phenomenon known among children by way of Aesop's fables as "sour grapes." Anything worth less than a single meal, yet valued so much in the eyes of the culture of that era, had to be despised by anyone so short-sighted as to sell it so cheaply. He wanted a handout. He feigned helplessness in order to receive mercy. His trick failed.

Why would anyone have entered into such a transaction? Esau's present-orientedness was his downfall. He wanted immediate gratification. The benefits of the birthright seemed so far in the future to

Esau, and the food was so tempting. Why cling to something so valueless in the present (the value of the birthright, discounted by his very high rate of interest, or time-preference), when one might get something quite valuable right now (a mess of pottage)?

Jacob knew his brother's character quite well. On the surface, His offer of some stew for his brother's birthright was nothing short of preposterous. He knew his brother's price because he understood Esau's preposterously high present-orientedness. Esau possessed a very high time-preference; he wanted instant gratification. He therefore made economic decisions in terms of a high rate of interest, so that he discounted the present value of future goods quite steeply, almost forcing their value to zero on his personal preference scale. Jacob understood the economic implications of his brother's preference for instant gratification, and he made him the offer: birthright for food. The food was worth a lot to Esau; the future value of the birthright meant practically nothing to him. The result was this remarkable exchange. Jacob purchased legal title to his promised birthright.

The birthright had been promised to Jacob. Yet Jacob bargained in a free market to obtain it. By God's law, later put into written form by Moses, it was Esau's right as the firstborn, as long as Esau remained faithful to the covenant. God knew in advance that he would not (Rom. 9:10–13). Jacob used this incident in Esau's life to purchase the birthright at a remarkably low price. Esau's character flaw, plus the presence of his temporary hunger, combined to present a unique economic opportunity to Jacob. Jacob was not one to let an opportunity like this escape. By despising the covenant, his birthright, Esau forfeited his rights as the firstborn son.

Conclusion

There is not the faintest hint in the Bible that Jacob's transaction with Esau was in any way immoral. Any attempt on the part of commentators to draw conclusions from this incident concerning the immorality of sharp economic bargaining is wholly unwarranted exegetically. It is in no way immoral to bargain competitively with anyone whose lack of vision, lack of foresight, lack of self-discipline, and lack of a strong future-orientation have combined to place him in a weak bargaining position. Such men are entitled to purchase their heart's desire, namely, instant gratification, at whatever price they are willing to pay. We should ask them to pay a lot.

This conclusion is not sufficient to justify overly sharp bargaining

with righteous men who have been forced by unpredictable circumstances into a position of competitive weakness. Mercy is to be shown to victims of external crises. The moral rule against the forestalling (withholding) of grain is a case-law application of the biblical law against economic oppression. But this valid rule in no way inhibits men from getting the best return they can in exchanges with undisciplined, present-oriented men. There is no doubt that the present-oriented man is at a distinct competitive disadvantage when bargaining with a future-oriented person, and it is quite possible that he will forfeit something as valuable as his birthright for something as valueless as a single meal. The fact that assets tend to flow in the direction of future-oriented, thrifty, and self-disciplined economic actors is a testimony to the godly order of a free economy. To stand in judgment of Jacob's competitive bargaining with Esau is to stand in judgment of a moral and economic order which penalizes the present-oriented man, benefits the future-oriented man, and in no way imposes compulsion on either. Such a critical judgment certainly goes beyond the Bible's assessment of Jacob's actions.

27

ENVY AND DESTRUCTION

> *And Isaac digged again the wells of water, which they had digged in the days of Abraham his father; for the Philistines had stopped them after the death of Abraham: and he called their names after the names by which his father had called them. And Isaac's servants digged in the valley, and found there a well of springing water. And the herdmen of Gerar did strive with Isaac's herdmen, saying, The water is ours: and he called the name of the well Esek; because they strove with him.*
>
> GENESIS 26:18–20

This encounter was based on a conflict over ownership. The herdsmen claimed that the water was theirs. Isaac removed his flocks from the region. This was not necessarily an acknowledgment of their claim of ownership. It was a way to avoid conflict.

What has escaped the observation of most commentators is the peculiar aspect of the herdsmen's claim. Isaac knew where to dig for water. He did it twice more (vv. 21–22). This indicates that Abraham had told him exactly where the wells had been located. When he arrived at the designated locations, he found that the wells had been filled in with dirt. But why?

Their water was a valuable resource. The herdsmen claimed hat the water belonged to them. It was worth challenging Isaac. Yet they had not been using this water. Why not? Why allow a valuable resource be wasted for decades? Maybe they had forgotten. This seems unlikely. The wells had belonged to Abraham. He had departed. Why did their predecessors fill in the wells with dirt? What was the point? Here was a valuable asset. Abraham had discovered water. Now he had abandoned the wells. Why not take over the asset? Why fill in these wells?

The answer is envy. The Philistines knew that Abraham had dug the wells. He had a special relationship with the king of the Philistines (Gen. 21:23–24). Abraham had complained that some of the king's servants had forcibly taken possession of wells that Abraham had dug (v. 25). The king said that he knew nothing about this (v. 26). At that point, the two men made a covenant with each other. Abraham handed over seven ewe lambs as a testimony to the king that he had dug the well (v. 30). Then Abraham returned to that place and planted a grove (v. 33). Abraham had left the region after many years (22:1–2). So, these wells were clearly Abraham's. Even though he had departed, none of the locals decided to occupy Abraham's land.

They filled in the wells with dirt. This was a public testimony that the assets would not be used by anyone. Abraham might return. This guess was incorrect; he didn't. His heir might return. This happened. Isaac returned. There was always a possibility that the heir would not recall the location of the wells. Why would that be an advantage to the local economy? It wouldn't. If Isaac returned to the land and became productive, the local economy would benefit. There would be new sources of wealth. But the locals resented Isaac's presence.

The locals them claimed that the wells belonged to them. This was preposterous. Isaac knew where the wells had been, because his father had told him. His father had dug them. He had owned them. The locals knew this. This was the reason why their fathers had not taken possession of the wells as soon as Abraham departed. Instead of taking possession of the wells, they filled them in. They decided that, as long as they could not own the wells, no one would, especially Abraham's heir. They preferred nothing to something. They could have worked a leasing arrangement. They chose to destroy the wells instead.

This was envy in action. Envy is not the desire to take away part of another person's wealth. That sin is covetousness or jealousy.[1] Envy is the desire to see to it that no one has any advantage. If they could not own the wells, then no one would gain any benefit from them. It is better to waste an asset, they concluded, rather than see the owner benefit from it in any way from its use.

This is a destructive outlook. The envious person would rather see no one benefit, just because he cannot directly benefit. The locals could have leased rights from Abraham. They would have received

1. Chapter 15:B.

the use of water. But to gain this benefit, they would have had to offer Abraham something in exchange. Abraham would have benefitted. Better that no one benefit, they concluded. Better that the dominion covenant not be extended than to let Abraham benefit.

Conclusion

The conflict over the newly dug wells took place because the heirs of the original thieves of Abraham's wells wanted to re-claim the stolen property which the king had taken away from the thieves. The thieves had accepted this decision, for they had no choice. They acknowledged Abraham's ownership of the wells by their act of destruction: filling in the wells. As soon as Isaac's men had dug the wells, the locals tested Isaac's willingness to defend his inheritance. He was not willing. He wanted to avoid trouble. The local Philistines became the heirs of Abraham. It was a stolen legacy.

28

THE USES OF DECEPTION

And Jacob said unto his father, I am Esau thy firstborn; I have done according as thou badest me: arise, I pray thee, sit and eat of my venison, that thy soul may bless me.

GENESIS 27:19

The theocentric issue here is inheritance, point five of the biblical covenant.[1]

Commentators who are prone to criticize Jacob's sharp bargaining with Esau are equally prone to argue that Jacob's character flaw is inescapably visible in this incident. Here, Jacob resorted to lying to receive the coveted blessing from his father. He used a flagrant deception on his aged father, taking advantage of the old man's failing eyesight to gain the blessing. Jacob, it seems, would stop at nothing in order to secure an economic advantage for himself.

The commentator who comes to the Bible with the assumption that it is immoral to tell a falsehood in every conceivable case, must naturally conclude that Jacob's actions here were unlawful. However, such an *a priori* assumption concerning deception overlooks, or in some instances deliberately suppresses, the testimony of the Bible that God may bless deception for a godly cause.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

A. Lying for God's Sake

The obvious example is Rahab, who deliberately lied to the representatives of Jericho's government who were searching for the Hebrew spies. Even John Calvin attacked the propriety of Rahab's lie, although he exonerated her completely in her act of treason against Jericho. Calvin was followed in this judgment by the Puritan commentator Matthew Poole and the twentieth-century theologian John Murray.[2] Yet it should be patently obvious that a spy is, by definition, a full-time deceiver, as is the treasonous individual who remains inside the commonwealth as an agent of the enemy. Analytically speaking, the fact that a verbal lie was spoken by Rahab is incidental in comparison to the far greater deception of her treason, yet the commentators are all too often unwilling to accept the incidental lie, although they are forced to follow the New Testament's judgment concerning the righteousness of Rahab's treason (Heb. 11:31).

The closed-mouth traitor of Judges 1:24–26 and the obvious use of deception by Ehud the regicide (Judg. 3:15–25) are other examples of the successful use of deception by men who were covenanted to God. When Ehud announced the intention of his secret visit in the king's chambers, to deliver a "present" to the king, he was no less a liar than Rahab or Jacob; no king expects to receive in private a man carrying a dagger rather than a present from his defeated subjects (Judg. 3:15). So basic was deception in Ehud's case that his own biology was involved. He was a left-handed man, so he strapped his 18-inch dagger onto his right thigh, so that the lazy guards would examine only his left thigh, where any normal right-handed man would strap a dagger for rapid use.[3]

Another remarkable instance of wartime deception is the story of Jael and Sisera, the captain of the army of Hazor, the Canaanitic captor of Israel. In a successful uprising against their captors, the Israelites, commanded by Deborah, defeated Sisera's forces. Fleeing on foot, Sisera came to the home of Heber the Kenite, who had a peace treaty with Sisera's commander, Jabin (Judg. 4:17). He was welcomed by Heber's wife, Jael, who said, "Turn, my lord, in to me; fear

2. John Calvin, *Commentaries on the Book of Joshua* (Grand Rapids, Michigan: Eerdmans, 1949), pp. 47–48; Matthew Poole, *A Commentary on the Whole Bible* (London: Banner of Truth, [1685] 1962), I, p. 411; John Murray, *Principles of Conduct* (Grand Rapids, Michigan: Eerdmans, 1957), pp. 138–39.

3. For an extended discussion of the treasonous nature of Rahab's lie, and a justification of her actions, see my essay, "In Defense of Biblical Bribery," in R. J. Rushdoony, *Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), pp. 838–42.

not" (4:18). He told her to tell any man inquiring about some male visitor that there was no man present (4:20). Then he went to sleep, confident in the bond between him and the family and secure in the knowledge that Jael would lie for his sake and deceive his pursuers. What did she do? She unilaterally broke her husband's treaty with the defeated nation. She crushed his head by pounding a nail through his temples and literally nailed him to the ground (4:21). As a type of the Messiah who would crush the head of the serpent (Gen. 3:15), she effectively broke the word of her husband. What is the Bible's judgment concerning her disobedience to her husband, her active deception, her lies, and her murder? "Most blessed of women is Jael" (Judg. 5:24). Deborah's song of praise to Jael catalogues her deceptions and praises them (4:25–27). Jael's nail has provided exegetical headaches for legalistic commentators ever since.

But, exclaim the "no deceptions allowed" commentators, would God use deception to bring forth His will in history? The Bible's answer is categorically affirmative. Speaking of the false prophets of Israel, God instructed Ezekiel to announce:

> Therefore speak unto them, and say unto them, Thus saith the Lord God: Every man of the house of Israel that setteth up his idols in his heart, and putteth the stumblingblock of his iniquity before his face, and cometh to the prophet; I the Lord will answer him that cometh according to the multitude of his idols; That I may take the house of Israel in their own heart, because they are estranged from me through their idols. . . . And if the prophet be deceived when he hath spoken a thing, I the Lord have deceived that prophet, and I will stretch out my hand upon him, and will destroy him from the midst of my people Israel. And they shall bear the punishment of their iniquity: the punishment of the prophet shall be even as the punishment of him that seeketh [unto him]; That the house of Israel may go no more astray from me, neither be polluted any more with all their transgressions; but that they may be my people, and I may be their God, saith the Lord God (Ezek. 14:4–5, 9–11).

The legalistic or humanistic commentator will have enormous problems with this passage of Scripture, and it can serve as a very useful "litmus test" of an implicit exegetical humanism on the part of a Bible expositor. Another passage in which deception is singled out as a valid part of God's plan for the ages is II Thessalonians 2:8–12.

> And then shall that Wicked be revealed, whom the Lord shall consume with the spirit of his mouth, and shall destroy with the brightness of his coming: [Even him] whose coming is after the working of Satan with all

> power and signs and lying wonders. And with all deceivableness of unrighteousness in them that perish; because they received not the love of the truth, that they might be saved. And for this cause God shall send them strong delusion, that they should believe a lie: That they all might be damned who believed not the truth, but had pleasure in unrighteousness.

It is difficult to understand why commentators criticize the actions of Rahab in lying to the representatives of a doomed, degenerate culture, and why Rahab's verbal deception should be accounted to her as unrighteousness, despite the clear testimony of the Bible concerning her faithfulness. It is as if the clear testimony of Scripture is too bright in the eyes of the commentators. They are as confused by the revelation of God in this area of applied faith as the early disciples were by the parables of Jesus. They simply cannot grasp the nature of God's total hostility toward humanistic rebellion.

B. Jacob's Lie

The problem in understanding Jacob's lie to his father should not be that he lied as such, but only that he lied to a fellow believer. Colossians 3:9 declares: "Lie not one to another, seeing that ye have put off the old man with his deeds." Was Jacob guilty of a violation of this commandment? There seems to be no escape: he disobeyed the law. The question is: Is this law absolutely universal, irrespective of historical circumstances? If it is, then Jacob sinned. If Jacob's action here was lawful, then the rule is not absolutely universal, but must be tempered by our knowledge of other biblical rules that modify or even suspend its binding nature in certain instances.

Several facts must be borne in mind when dealing with the context of Jacob's lie. *First*, God had spoken out in favor of Jacob as against Esau (Gen. 25:23). The elder son would serve the younger, God had declared. *Second*, God's reason for reversing the normal relationship between elder and younger brothers was His grace toward Jacob. He hated Esau and his heirs, while He loved Jacob and his heirs (Mal. 1:3; Rom. 9:10–13). Jacob was redeemed; Esau was not. *Third*, God had explicitly revealed His plans for the two nations prior to the birth of the twins. He had told Rebekah. *Fourth*, Isaac loved Esau because he enjoyed eating the venison Esau shot, but Rebekah loved Jacob (Gen. 25:28). Isaac was not concerned about the moral standing of the two sons before God, nor did he care about God's explicit revelation concerning their respective futures. What he was concerned about was meat. In this respect, he was a lot like Esau, who

was more concerned with meat than his birthright (Heb. 12:16). This present-orientation of Isaac, who refused to consider God's word concerning the future position of the two families, blinded him to the character flaws in Esau, who was a murderer in his heart (Gen. 27:4). *Fifth*, Isaac was determined to use his power of giving the patriarchal blessing as a device to get one last round of venison out of Esau (Gen. 27:41). He was perfectly willing to challenge God's judgment concerning the respective merits of the two sons in order to get one final meat dinner. He ignored the fact that Esau had sold his birthright. He ignored the fact that God had promised Jacob the position of superiority. All that mattered was his own instant gratification. In other words, at this point Isaac went to war against God. He rebelled. *Sixth*, Rebekah instigated the deception, not Jacob. She was a lawful authority in the home, and she had been told directly by God about the future of the two sons and the future of their heirs. She sided with the son God favored. *She sided with the covenant line.* Thus, Jacob did not unilaterally decide to thwart the desires of his parents; he decided to follow the advice of one of them—the one who was conforming her actions to the prophecy of God. Rebekah was clearly more future-oriented than her husband, for she took seriously the promise of God concerning the future of Jacob's side of the family—the covenant line that would ultimately bring forth the Messiah. Though God normally rules through the husband rather than the wife, and though the elder son normally receives the double portion, in this instance the wife sided with God against her husband, and with the younger son against the elder.

Jacob was unquestionably following the orders of a lawful superior. At first, he worried about the deception involved; his father might discover his deception, "and I shall seem to him as a deceiver; and I shall bring a curse upon me, and not a blessing" (27:12). But his mother assured him that he had no need to worry: "Upon me be thy curse, my son: only obey my voice . . ." (27:13). Jacob obeyed.

C. Isaac's Rebellion

Isaac had decided to give Esau the whole blessing. It was not simply that he intended to give Esau the double portion, as first-born sons are entitled to under normal conditions. He intended to give Esau such a great blessing that he would put Jacob permanently under the dominion of the evil elder brother. His blessing had announced: "Let people serve thee, and nations bow down to thee: be lord over thy brethren,

and let thy mother's sons bow down to thee…" (Gen. 27:29a). He thought he was giving the blessing to Esau. Instead, Jacob received it. From the beginning, it was clear that Esau was hated by God, and would not be part of the covenant line. God had told Rebekah: "Two nations are in thy womb, and two manner of people shall be separated from thy bowels; and the one people shall be stronger than the other people; and the elder shall serve the younger" (Gen. 25:23). Two nations meant that one nation was part of the covenant line and was chosen of God, while the other would be cast aside. God intended that Jacob would receive the total blessing, not just a double portion. Isaac, in contrast, decided that he could thwart God's declared will by autonomously giving the blessing to the son and nation that God had decided to hate (Rom. 9:11–14; Mal. 1:3–4). It was through Jacob's deception that Jacob received the promised comprehensive blessing, which left nothing for Esau except the promise of a dwelling place in "the fatness of the earth" (27:39). Isaac had tried to save the very best for rebellious Esau. So, he had nothing remaining within the framework of the covenant line to give to his hoped-for beneficiary, once Jacob's deception had brought to pass God's original promise to Rebekah. *Isaac's rebellious choice*, coupled with *Jacob's effective deception*, brought *God's promised conditions* into the stream of covenant history.

Rebekah understood the motivation and character weakness of her husband. She had seen him favor Esau from the beginning. Now he was about to defy God, cheat Jacob, and bless the elder son. Like Esau, Isaac was guilty of the sin of honoring his belly more than God's promises, almost like the belly-worshipping sinners criticized by Paul (Phil. 3:18–19). There was no time to lose. Rebekah made an assessment concerning the likelihood that she and Jacob could convince Isaac to reverse his lifetime judgment concerning the respective merits of the two sons, and she decided that deception, rather than an appeal to God's word, was more likely to be successful. After all, the two sons were 77 years old.[4] Isaac had not yet seen the light. So she cooked up some meat, thereby appealing to Isaac's desires, and dressed her son in camouflage.

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4. Joseph was 30 when he gave his prophecy to Pharaoh (Gen. 42:46). Nine years later (Gen. 45:6), Jacob came down to Egypt. He was 130 years old (Gen. 47:9). Joseph was 39. Thus, Jacob was 91 when Joseph was born (130 − 39). According to Gen. 29:20, 30 and 30:25, Joseph was born at the end of Jacob's first 14 years of service. Thus, Jacob entered Padan-Aram at age 77 (91 − 14), and married at 84 (77 + 7). According to Gen. 27:41 to 28:1, Jacob fled to Padan-Aram immediately after his deception of Isaac, so that Jacob was 77 when he received the blessing. Esau was also 77, being Jacob's twin.

When Esau returned to receive his blessing and found that Jacob had received it, he asked for an additional blessing from his father. Isaac's answer is significant: "Behold, I have made him thy lord, and all his brethren have I given to him for servants. . . ." (Gen. 27:37a). He announced that it was his blessing that had elevated Jacob over his brother. Yet God had announced this from the beginning. It is obvious that Isaac understood his blessing as having the power to convey this position of historical superiority—covenantal superiority—apart from God's word. Furthermore, he had unquestionably intended to give this favored position to the rebellious son who would trade him meat for the blessing.

What had Jacob accomplished? He had executed the preposterous exchange. Like Esau, who had traded his birthright for a mess of pottage—one morsel of meat (Heb. 12:16)—Isaac traded the blessing that was lawfully Jacob's for one meal of savory meat. Jacob was only purchasing that which was covenantally and legally his. God had promised it, and he had purchased the birthright from his brother. Isaac had recognized Jacob's voice, but the camouflaged hands that appeared to be hairy, coupled with the promise of an immediate meal, were sufficient to allay Isaac's suspicions (Gen. 27:2–25). The idea of trading a meal of meat for a blessing owed to God's chosen recipient was preposterous. Jacob, however, had learned that it was sometimes necessary to enter into preposterous exchanges with present-oriented men in order to purchase what was covenantally his in the first place.

Isaac had persisted in his defiance of God's revelation concerning the boys throughout their lives. He had shown no willingness to reverse his assessment of their respective character for 40 years or longer. The twins were born when Isaac was 60 years old (25:26), and Esau had married the Hittite women against his parents' wishes when he was 40 years old (26:34–35); but the blessing was given 37 years after Esau's marriage. Every visible action on Isaac's part indicated that he would bless Esau, despite the pain Esau's wives had caused him. What could an appeal to the original promise of God have accomplished?

There are those who would say in the face of Isaac's whole history that both Rebekah and Jacob were in error, that they should have appealed to the old man's theological judgment by reminding him of God's assessment of the two sons. They should have denied the effect of a lifetime of active, conscious rebellion on Isaac's part, and told him, in defiance of his life-long preference for Esau and his venison,

to bless Jacob instead. There are those who would say this, but none of the New Testament dwriters ever did.

We are told in Hebrews 11:20 that "By faith Isaac blessed Jacob and Esau concerning the things to come," but this refers only to the confidence Isaac had that his blessing, as a patriarch in the covenant line, would have historical impact in time and on earth. He had confidence in his own word. There is no doubt that he did have confidence in his own word. It was an important word. It was so important that Jacob and Rebekah had to use deception in order to be assured that his word would be applied in the way that God had prophesied. His word was so important that he could tell Esau that he had transferred long-term authority to Jacob (Gen. 27:37). The power of his word was nevertheless dependent on his faith in God, and it took a conspiracy against him to make certain that his verbal blessing actually conformed to the announced intention of God to bless Jacob. It took deception, in other words, to bring Isaac's words into line with the God to whom Isaac was officially committed, but whose own words Isaac defied in practice.

One conjecture made by critics of Jacob's deception is that he was repaid, like for like, when his uncle Laban deceived him into a marriage with Leah, and then was able to compel Jacob to work an additional seven years to pay for Rachel (Gen. 29:23–28). He, too, used a disguise to trap the victim. The Bible says nothing about any "like for like" retribution being involved in this incident. We are told that Jacob faithfully served Laban six additional years. So faithfully did he serve, in fact, that Laban begged him to remain an administrator of his flocks after the seven years were over (30:27–28). Furthermore, despite Laban's continued deceptions, it was Jacob who prospered (31:1–13). It is true that Jacob had been deceived, but he wound up so wealthy that his own wives, Laban's daughters, were viewed by Laban's household as strangers (31:5). Laban had used up the capital of the family, leaving the daughters with no inheritance (31:5). God had transferred Laban's wealth to Jacob's household (31:16).

It should be clear enough for anyone who examines the record of Jacob's sojourn in the household of Laban that Laban's deceptions resulted in the opposite outcome from what he had intended. He knew that God was with Jacob, which is why he hired him after the second seven years were up (30:27). Yet he persisted in numerous deceptions, trying to gain economic advantage over Jacob (31:7). He lost his daughters, his wealth, and even his household idols (31:19).

Yet, when he confronted Jacob, he had the audacity to assert that everything Jacob owned was his (31:43). (The idols were his, but he never found them [31:33–35].) Jacob told his uncle just how honestly and efficiently he had served him for two decades, sweltering during the day, freezing at night, and getting little sleep (31:38–42). Had God not been with him, Jacob charged Laban, surely Laban would have sent him away empty-handed (31:42). Yet it was Jacob who had the wealth, not Laban.

The results of Jacob's deception of Isaac were altogether beneficial to Jacob. The results of Laban's deceptions of Jacob were economically beneficial to Jacob. What are we to conclude? That deceptions as such always backfire? Obviously, Jacob's deception of his father did not backfire. It was Esau who wailed his despair, not Jacob. Are we to conclude that deception as such always wins? Hardly: Laban's losses testify to the opposite conclusion. What, then, are we to conclude?

D. The Holy Pretense

We are to conclude that it is better to conform ourselves to the explicit revelation of God, unlike Isaac and Esau, and to the visible signs of God's favor, unlike Laban and his sons, than to defy God. We have evidence that God blesses those who conform themselves to His covenantal law-order. We have evidence that a similar tactic to gain personal advantage, namely, the use of deception, can result in vastly different results, depending upon a person's place in the plan of God. God honored Isaac's blessing because He honored the deception by Rebekah and Jacob. The deception saved Isaac from a crucially important error of judgment. The deception enabled Jacob to gain that which was rightfully his, both by God's promise and Esau's voluntary sale. The deception in no way led to Jacob's impoverishment; indeed, the words of Isaac's blessing were fulfilled in Jacob's life over the next 20 years, as his heirs and capital grew rapidly.

If Jacob's action was categorically wrong, the Bible's testimony against him is inferential, not explicit. It would no doubt have been better if Isaac had never indulged his taste for meat at the expense of God's promises. It would no doubt have been better if Jacob had never had to use deception at Rebekah's insistence. But the deception was unquestionably preferable to Isaac's giving the blessing to Esau, and that was the situation Rebekah and Jacob faced. Jacob and Rebekah accepted their historical circumstances and acted in terms of them. Jacob prospered.

God deceives the unbelievers. Christ Himself spoke in parables deliberately, so that the people of His day would be confused, fail to repent, and perish in time and eternity. This was Christ's own response when the disciples asked Him why He spoke in parables: "For this people's heart is waxed gross, and their ears are dull of hearing, and their eyes they have closed; lest at any time they should see with their eyes, and hear with their ears, and should understand with their heart, and should be converted, and I should heal them" (Matt. 13:15). How explicit must the Bible become to convince men of the valid role of deception and even verbal camouflage—Christ's chosen method of sending lawless men to eternal judgment—to convince His followers of the usefulness of deception? Are we to condemn the use of spies in cases when Christian nations confront their enemies? Was Moses wrong in sending the 12 spies into the land of Canaan? Puritans like William Perkins and William Ames had no doubt on this score; there are perfectly valid uses, they said, of the holy pretense.[5]

When we see a godly man headed for disaster, and we have proven on countless occasions in the past that directly confronting him with the truth of God has proven wholly incapable of turning him aside from a particular act of rebellion, and when we do not have any lawful authority over him in this particular instance, then the testimony of Rebekah and Jacob stands as a beacon to guide us: if he must be tricked to save him from a serious error, deception is valid. This rule of conduct is not to be used by men to exonerate the Labans of the world, but with His explicit praise and blessing of Jacob, God has implicitly acknowledged the validity of the occasional use of deception against brothers in the faith, or even fathers, at least in cases where other lawful authorities approve (in this case, Rebekah).

E. Confused Commentators

Unfortunately, conservative commentators have failed to deal adequately with the biblical doctrine of legitimate deception. They have tended to take a woefully unrealistic view of deception as such, irrespective of the context. All too typical of this approach is the analysis of Jacob's deception of his father that appeared in the standard late nineteenth-century work, the *Cyclopedia of Biblical, Theological, and Ecclesiastical Knowledge* (1894): "It cannot be denied that this is a most reprehensible transaction, and presents a truly painful picture, in which a

5. Cf. George L. Masse, *The Holy Pretence: A Study in Christianity and Reason of State from William Perkins to John Winthrop* (Oxford: Basil Blackwell, 1957).

mother conspires with one son in order to cheat her aged husband, with a view to deprive another son of his rightful inheritance. Justification is here impossible. . . .” Such an analysis is almost completely devoid of historical understanding. The circumstances are generally ignored, including God’s promise concerning the two sons, the lawful exchange between Jacob and Esau, the short-run perspective of Isaac, and the murderous nature of Esau. The time limitation under which Rebekah and Jacob were operating is also ignored. Is it any wonder that such a blind spot toward history, combined with an a priori approach to deception as such, has led to the social and practical irrelevance of the vast bulk of Christian ethical analysis over the past three centuries? Can you imagine a military commander burdened by the limitations of this variety of Christianity? He could not camouflage his artillery or missiles. He could not send out spies. He could not manufacture false reports in order to deceive the enemy. Is it any wonder that secular leaders throughout the West have come to regard Christians as socially irrelevant and utterly impotent to deal with the realities of life?

The commentators can always reply that since Jacob had been given the promise, he did not have to resort to deception. Somehow, God would have been able to bring His promise into history. Jacob never had to resort to competitive bargaining with his lawless brother, or to deception with his short-sighted (literally and figuratively) father. This same argument can be raised (and has been raised) with respect to Rahab,[6] and it could be raised with Ehud and Jael. Somehow, God would have brought His will to pass without deception. How, we do not know. We cannot say. But God would have overcome the effects of truth-telling on the part of His servants. By implication, we tell the military commander he need not use camouflage.[7]

Rahab lied because she did not believe the rulers of Jericho had the right to know the whereabouts of God’s servants, the spies. Rebekah decided that Isaac did not have the right to know about the

6. Murray, *Principles of Conduct*, pp. 138–39.

7. John Murray, a soldier who lost his eye in World War I, was aware of the military advantages of camouflage. When teaching a children’s catechism class, Murray spoke critically of Rebekah’s deception. But when he raised the question of camouflage to the class, he denied that camouflage is comparable to a verbal deception. Camouflage is concealment, not deception, and concealment is justified under certain. conditions, namely, when we “conceal something from a person when that person has no right to know. . . .” In such a case, concealment “is not deception.” This account is reprinted in John Murray, *A Memorial with Tributes*, ed. Iain Murray (Edinburgh: Banner of Truth, 1975), p. 46. Sadly, Murray did not pursue this crucial line of reasoning. Isn’t the question of “the right to know” central to the issue of lying?

costume—we might call it camouflage—Jacob wore. If we can dismiss the charge of immorality in the case of concealment by raising the question of "the right to know," should we not dismiss the same accusation raised by critics, including Murray, against Rahab and Rebekah? He will win the war without it, without spies, and without any other sort of deception. How, we do not know. We cannot say. But we know. We know that the military commander, like Jacob and Rahab and Jael, is not truly under the constraints of historical circumstances. We assert that our commitment to unqualified truth-telling can overcome historical circumstances. But there is a problem with such logic: on occasion those praised by the Bible as great men and women have been exceedingly skillful liars, and the unquestioned success they have enjoyed as a direct and immediate result of their lies has been the very cause of the Bible's praise of them.

Jacob faced historical constraints. His father had made up his mind long ago, and he was trying to get one more plate of stew out of the deal—an unrighteous deal at that, one in defiance of God's promise, as well as the lawful exchange made by the two brothers. He was going to override that exchange, intervene in the market and thwart the economic implications of Esau's sale of his birthright. Isaac was about to become an interventionist, a redistributor of wealth, taking away the blessing owed to Jacob, who had paid for his birthright in a voluntary transaction, and transferring it back to the present-oriented, rebellious brother who had given him and Rebekah so much pain when he married the Canaanite wives (Gen. 26:34–35). Jacob had only a brief period of time to overcome Isaac, the rebellious interventionist and present-oriented statist, who, in that very moment, was willing to turn his back on the promise and law of God concerning the protection of private property in the sanctity of voluntary exchange. Jacob looked at the historical constraints that had been placed on him, and he lied. That lie worked!

Why do the commentators refuse to acknowledge that Jacob's deception was the immediate historical cause of his receiving what was lawfully his—lawfully because of God's promise and lawfully because of the voluntary exchange? Why do they look down on Jacob? It is difficult to say. What can be said is that it is time to stop criticizing Jacob and, by implication, Rebekah, and to start criticizing Esau and his short-sighted father, Isaac. In taking this approach to the Scriptures, we may be able to restore a sense of reality and awareness of historical circumstances, to biblical exposition.

As I have already written, one of the arguments that commentators sometimes lodge against Jacob's deception of Isaac is this one: God repaid Jacob for his sin by having Laban deceive him in the same way when Laban put Leah under wraps and gave her to Jacob as if she had been Rachel. On the surface, this looks like an impressive argument, but, like Leah herself, it is disguised. Yes, Jacob was deceived. Jacob, however, was not acting sinfully against Laban, as Isaac had acted against Jacob with respect to the ownership of the birthright and the blessing that was attached to it. The sin was wholly on the part of Laban's family. At least three people were involved: Laban, Leah, and Rachel. Either of the daughters could have come to Jacob in advance and revealed what their father was planning. Leah had little incentive to reveal this secret, but Rachel did. The obvious threat Laban could have used against Rachel was this: without her cooperation in the deception, he would never permit her marriage to Jacob. Also, Rachel knew that she ordinarily owed her father obedience. But did she owe obedience to her father in the committing of sin? Could she not have eloped with Jacob? After all, she later deceived her father by stealing his household gods (Gen. 31:19). Her sorrow throughout her marriage came as a result of her unwillingness to disobey her father and reveal the planned deception in advance. Jacob loved her, and she betrayed him.

Rachel's sin was that she obeyed her father and went through with his evil plan. With this painful chain of events, God was not punishing Jacob for his deception of, and disobedience to, his father Isaac; He was punishing Rachel for not having also disobeyed her father, just as Jacob disobeyed his. In short, the fundamental issue involved in Rachel's sinful deception of Jacob was not the deception as such. Instead, it was the issue of obedience to the ungodly command of her father. She obeyed her father, unlike Jacob, who refused to participate in his father's sin. She entered into a sinful deception of her future husband. But it was not her deception as such that constituted her sin, but rather her obedience to an unlawful command. Once again, we are faced with an important biblical truth: *it is not deception as such that is sinful*. We should not avoid asking the more important questions: Deception for what purpose? Deception under whose authority? Is the authority in question biblically valid? These questions must be answered before we take up the question of the lawfulness or unlawfulness of a particular deception.

Conclusion

This is not "situation ethics." Situation ethics denies the existence of any permanent moral standards. Situation ethics denies the existence of a standard of action for which each man will be responsible on the day of judgment. Situation ethics argues that the existential moment determines the ethics of an action, that *time is the god of man*.

What the Bible says, in this particular and limited case of deception, is that deception can be warranted. It provides us cases in which deception was warranted, primarily cases of war or, in the instance of Jacob and Esau, conflict between the representative heads of two separate nations. Just because deception is valid in cases of war, as the Bible affirms, we should not be led to the conclusion that there is nothing wrong with deception in general. We know that we are not supposed to bear false witness against our neighbor, for example. But the Bible also informs us that righteous saints have sometimes been forced to deceive in cases where others were acting unrighteously in direct defiance of God and God's law. And far from being criticized by a single word in the Bible, they have been praised openly (in the case of Deborah's praise of Jael), or grafted into the covenant line (Rahab), or blessed with enormous wealth (Jacob). Jacob tricked his father into bestowing the blessing on the one to whom it belonged by law and promise, and sure enough, the blessings were poured out on him. We should take this lesson seriously. If we fail to do so, the world will (and should) conclude that our religion is simply not serious and is therefore unworthy of serious consideration. If Jacob and Rahab and Jael were serious actors in history, we should do our very best to emulate their seriousness, their understanding of the meaning of the covenant, and their understanding of the historical circumstances in which they performed their covenantal role.

29

JACOB'S TITHE

> *And Jacob vowed a vow, saying, If God will be with me, and will keep me in this way that I go, and will give me bread to eat, and raiment to put on, So that I come again to my father's house in peace; then shall the* Lord *be my God: And this stone, which I have set for a pillar, shall be God's house: and of all that thou shalt give me I will surely give the tenth unto thee.*
>
> GENESIS 28:20–22

The theocentric issue here is God's legal claim on 10% of the income of His priesthood. This is an aspect of the church's exclusive right to administer the sacraments, which is an aspect of hierarchy: point two of the biblical covenant.[1]

This is the second reference to the tithe in Genesis. It is also the last. In the first case, Abram tithed to Melchizedek, the priest of Salem. In this latter case, no priest is named.

A. Household Priesthood

One reason for this silence is that, except for Melchizedek, who was still alive, "having neither beginning of days, nor end of life; but made like unto the Son of God" (Heb. 7:3), there was no covenantal priesthood apart from the household priests of the family of Abraham.

The Scriptures do not indicate that Melchizedek tithed to anyone. He was the high priest. To whom would he have tithed? To what priest would he have publicly proclaimed His subordination? None.

A household priest prior to the Mosaic covenant had no one to

1. Ray R. Sutton, *That You May Prosper: Dominion by Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 2; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 2.

tithe to, except on a special occasion, as when Abram came under Melchizedek's administration because of geography. Jacob had been under his father's authority as the household priest. He was part of this household. There was only one holy tribe in his day: the family of Isaac. There is no evidence that Isaac was still under Abraham's authority, for Abraham had moved away at the time of Isaac's marriage. He no longer played a role in the history of the covenant, except as the father of Midian (Gen. 25:2).[2] When Abraham left the region, the covenantal priesthood transferred to Isaac.

Jacob was no longer under the household authority of his father Isaac, who had been the household priest of the family. So, he had a problem. He had broken with his father through his deception. He had instead obeyed his mother, who had told him, "Now therefore, my son, obey my voice according to that which I command thee" (Gen. 27:8).[3] He could not return home safely for a time because of Esau's wrath. He only had the clothes on his back. He had no known source of income. If he gained a source of income, there was no God-fearing priesthood to which he could pay his tithe as a subordinate.

If he paid a tithe to anyone except Melchizedek, who was not local, he would be visibly subordinating himself to the god whom the priest claimed to represent. This would not have been Jacob's God. It was covenantally better to pay no tithe at all while he was outside of the jurisdiction of his father's household. So, he made a confession before God. His refusal to pay a tithe while outside of his father's household should not be considered as an act of rebellion towards God. On the contrary, it was an act of obedience. He affirmed to God that as soon as he returned safely to his father's house, he would pay the tithe.

He did not say to whom he would pay this tithe. He did not have to. It was obvious to him and to God: to his father, if the old man was still alive at Jacob's return. His father was the household priest.

B. Jacob's Vow: Conditional or Covenantal?

Jacob's request for aid came in a form that we associate with conditionality: if . . . then. "If you will give me what I need to live—food and clothing—then I will pay a tithe." But such a request can also affirm a limitation: "If you do not give me what I need to live, then I cannot

2. An heir of Midian, Jethro, was Moses' father-in-law. He was a priest. He subordinated himself to Moses after the exodus, serving as an advisor (Ex. 18).

3. Chapter 27.

pay a tithe." It is a confession of impotence, of total dependence on the God who supplies all good things. As James wrote almost two millennia later, "Every good gift and every perfect gift is from above, and cometh down from the Father of lights, with whom is no variableness, neither shadow of turning" (James 1:17).[4]

Was this vow a prayer of covenantal or conditional subordination? Conditional subordination says: "If you won't, then I won't," while covenantal subordination says: "If you won't, then I can't." Anyone who argues that this vow was conditional is necessarily arguing that Jacob had already broken covenant with God. He was threatening God with his withdrawal from the covenant. "Fork over the goods, God, or else I shall find another God to worship." This would have been a preposterous confrontation. He would have been placing his inheritance at risk.

Jacob had inherited the birthright which God had told Rebekah he would inherit. God had told her that the older son would serve the younger (Gen. 25:23). This was covenantal language: hierarchy, which is point two of the biblical covenant.[5] Jacob had recently deceived his father at his mother's demand and with her cooperation in order to secure his father's blessing. This blessing belonged to him by promise (to Rebekah) and by contract (with Esau). Esau had sold his birthright to him (Gen. 25:31–34).[6] Isaac had planned to overturn this lawful transaction, but he had failed (Gen. 27:37). The covenantal blessing was now part of Jacob's inheritance. This blessing had been based on his father's office as a household priest.

His inheritance was already conditional: continuing subordination to God. If he broke covenant with the God of Abraham, he could not inherit any of the promises that God had made to Abraham. He was on the run because he was defending his inheritance from the rebellious decision of his father to give it to Esau. To put God to the test on one's own authority is always an act of covenantal rebellion. "Ye shall not tempt the LORD your God, as ye tempted him in Massah" (Deut. 6:16). "And Jesus answering said unto him, It is said, Thou shalt not tempt the Lord thy God" (Luke 4:12).

Any suggestion that Jacob's request was conditional rather than covenantal raises some crucial theological problems. The main one

4. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 32.

5. Sutton, *That You May Prosper*, ch. 2.

6. Chapter 26.

is this: Jacob's lack of trust in God. This was affirmed by David Croteau: "Rather than being an act of reverent worship, the context appears to show that Jacob's vow reveals his lack of trust in God's promise."[7] He insisted that "it is a conditional vow."[8] He went so far as to argue that Jacob was not yet a covenant-keeper. "In fact, he does not appear to be converted *yet* in the present passage. . . . Jacob's reaction is *not* one of awe, but rather of terror or fear."[9] When did Jacob finally subordinate himself to God covenantally? After his all-night wrestling match with God when he was returning home two decades later (Gen. 32:24–30).[10] He therefore came to saving faith in the total sovereignty of God only after he had defeated God in a wrestling match, forcing God to give him a blessing. Had I been on Mr. Croteau's dissertation committee, I would have asked him to explain this line of reasoning in greater detail before voting to make him Dr. Crouteau. It is not self-explanatory.

On the contrary, Jacob was coming before God at Bethel in the name of the biblical covenant: the sovereignty of God (point one: God's sovereignty),[11] his own sonship (point two: hierarchy),[12] the blessing from his father (point four: sanctions),[13] and his inheritance (point five: inheritance).[14] He was affirming point three: law.[15] How? By affirming the law of the tithe.

He made this affirmation: "then shall the Lord be my God." This was not a threat to worship another god. This was a covenantal reminder to God that He had made promises to Abraham and Rebekah regarding the inheritance. His prayer was comparable to Moses' prayer to God when God offered to destroy all of the Israelites and raise up a new nation for Moses to lead. Moses reminded God of the dark implications of such an offer. Pagans would scoff at God's unreliable promises.

> And Moses besought the Lord his God, and said, Lord, why doth thy wrath wax hot against thy people, which thou hast brought forth out of

7. David Croteau, "A Biblical and Theological Analysis of Tithing: Toward a Theology of Giving in the New Covenant Era," a Ph.D. dissertation submitted to the faculty of Southeastern Baptist Theological Seminary (2005), p. 78.

8. *Ibid.*, p. 79.

9. *Ibid.*, p. 80.

10. *Ibid.*, p. 81.

11. Sutton, *That You May Prosper*, ch. 1.

12. *Ibid.*, ch. 2.

13. *Ibid.*, ch. 4.

14. *Ibid.*, ch. 5.

15. *Ibid.*, ch. 3.

> the land of Egypt with great power, and with a mighty hand? Wherefore should the Egyptians speak, and say, For mischief did he bring them out, to slay them in the mountains, and to consume them from the face of the earth? Turn from thy fierce wrath, and repent of this evil against thy people. Remember Abraham, Isaac, and Israel, thy servants, to whom thou swarest by thine own self, and saidst unto them, I will multiply your seed as the stars of heaven, and all this land that I have spoken of will I give unto your seed, and they shall inherit it for ever (Ex. 32:11–13).

Moses appealed to God's reputation as a promise-keeper. The prayer worked. "And the LORD repented of the evil which he thought to do unto his people" (Ex. 32:14).

Jacob's prayer was a covenantal prayer. "If I die in the wilderness, then your ability to fulfill your promise will be suspect." How could God prove for all to see that His promises are reliable? By proving that He was Jacob's God. How could He do this? By arranging events "so that I come again to my father's house in peace." This is exactly what God did. Jacob and Esau later buried their father (Gen. 35:29), just as Isaac and Ishmael had buried theirs (Gen. 25:9). Isaac had received the greater inheritance as the son of the promise. So did Jacob.

C. The Holy Tenth

Jacob promised God that he would pay the tithe if he lived and later returned to his father's house. Why a tithe? Because that was what Abram had paid Melchizedek.[16] *This holy tenth is a token of subordination to the high priest*. The high priest is an ecclesiastical representative of God. He administers the sacraments to members of the ecclesiastical covenant.

Jacob's promise had a geographical limitation: his father's house. This meant that he would not pay the tithe until his return to his father's house. That he would not pay the tithe during his sojourn outside the promised land should not be seen as an act of defiance on his part. Ten percent of whatever he earned during this sojourn would be returned to God when the sojourn was over. Jacob would not forget who had supplied him with his wealth and under what conditions.

This was an affirmation of covenantal faithfulness. "I will not pay the tithe to covenant-breakers in this strange land. I will pay it instead when I return to my father's house. I will not visibly subordinate myself to the strange gods of this strange land. I will pay what I owe when I return to my father's house, which is my lawful inheritance." Jacob never forgot his inheritance. Neither did God.

16. Chapter 21.

Conclusion

Jacob's promise to tithe should not be understood as a one-time offer to provide something extra to God in exchange for benefits received. The tithe was mandatory on those who were not household priests of God. Jacob had not previously paid a tithe. Why not? Because he had been a son in a priestly household. But this would not be true for as long as he lived outside of that household's jurisdiction.

He affirmed to God that, upon his return to his father's house, he would pay a tithe on whatever he had earned while living outside his father's priestly jurisdiction. This was not a promise to do something extra. It was a promise to do something required. It was an affirmation of his faith in the covenant. It was an affirmation of his adherence to the law of the tithe (point three), which acknowledged his subordination to a priest (point two) by acknowledging God as the source of the blessings (point four). By this, he would maintain his inheritance (point five). God honored this request.

To whom did he owe this tithe? The text does not say, but the obvious answer is Isaac. Isaac was the head of his household. For a time Jacob was living outside this household. Upon his return, he would pay his tithe to the household priest.

30

CONTINGENCY PLANNING

Then Jacob was greatly afraid and distressed: and he divided the people that was with him, and the flocks, and herds, and the camels, into two bands; And said, If Esau come to the one company, and smite it, then the other company which is left shall escape.

GENESIS 32:7–8

The theocentric focus of this passage is inheritance, point five of the biblical covenant.[1]

Jacob had left his home at his mother's suggestion, in order to avoid the wrath of his brother (Gen. 27:42–45). He also wished to fulfill his parents' desire that he not marry a Canaanite (27:46; 28:1–5). He had left empty-handed; he returned with massive wealth. Now, as he travelled through the land inhabited by his brother, he feared for his life. He was afraid of Esau's vengeance. His messengers had informed him that Esau was coming, accompanied by 400 men (32:4). This did not appear to be a peaceful welcoming committee as far as Jacob was concerned. His mother had believed that Esau's fury would last only a few days (27:44), and Jacob had been absent for 20 years (31:38). Nevertheless, he was not so certain of his brother's present-orientedness. Perhaps Esau still bore a grudge against the brother who he believed had defrauded him of his blessing.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

A. Capital Preservation

Jacob's immediate goal was to preserve at least a portion of his capital. He divided his flocks into two sections on the assumption that at least half of his goods would be saved from destruction or confiscation in case of a direct confrontation. This willingness to forfeit half his goods in order to save the other half, rather than risk everything in an "all or nothing" situation, testifies to Jacob's economic realism. He intended to minimize his losses. There was too much at stake to invest all of his assets in terms of the present-orientedness of his unpredictable brother.

What is not generally understood is that Jacob was an old man by this time. Joseph is spoken of as "the son of his old age" (37:3), even though Benjamin was born after Joseph. No events are recorded between the death of Rachel at the birth of Benjamin (35:19), Jacob's visit to his father (35:26), and his father's death at age 180 (35:27). Jacob was then about 120 years old, since he was born 20 years after Isaac's marriage when Isaac was 60 (25:26). Jacob was 97 when he met Esau's forces.[2] Therefore, Jacob was taking great care to preserve half of his capital for the sake of his family, since there was no guarantee that at his advanced age he would be able to recoup his losses if Esau took everything Jacob owned. He was probably running short of economically productive years, so capital preservation was far more important than it would have been had he been younger. The economic strategy of an older man is understandably different from that which might appeal to a younger man who has time to recover from mistakes.

Only after he had taken what he regarded as an effective contingency plan did he go to God in forthright prayer (32:9–12). He then pleaded with God to uphold His promises to him, though freely admitting, "I am not worthy of the least of all these mercies, and of all the truth, which thou has shewed unto thy servant…" (32:10). He reminded God of God's own covenant with him, to uphold and bless him, but he did not assume that God was in any way bound to honor Jacob's temporary interpretation of the meaning of the terms of the covenant in that particular situation. He did not sit idly by, waiting for God's automatic seal of approval on his own self-confident decisions. Jacob had already taken prudent steps to preserve a portion of his capital before coming to God. He acted sensibly, and he did so almost automatically, knowing from experience that God is in no way morally compelled to honor foolishness or lethargy.

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2. Jacob was 91 when Joseph was born: footnote #4 in chapter 27. He left Laban's service six years later (Gen. 31:38).

Jacob did not leave off at this point. He adopted a further tactic to use against his brother. He decided to buy him off. In this case, however, he did not assume that Esau could be pacified with a mess of pottage. It would be very expensive, but well worth it if he could stay the hand of Esau without conflict. He separated numerous animals from the main flock and divided them into smaller groups. He then commanded his servants to go in small droves, one at a time, delivering multiple peace offerings to Esau (32:13–21). Esau would then be like a modern child on Christmas morning, gleefully unwrapping a dozen small presents, one by one, instead of unwrapping one big box, and then becoming bored or even resentful at having received "only one" present. If Esau would not be placated with only one present, he might be placated with several smaller ones distributed tactically. The tactic worked (33:9–11).

B. Preparing for Confrontation

Jacob abandoned neither his common sense nor his total faith in God's covenant promises. He knew that God had promised to bless him, but he could not be sure that in this instance God was automatically going to guarantee his safe passage through the land of Seir. Jacob knew God's general promise was reliable; the *specific application* of that promise in this instance was unclear. Jacob did not presume that the long-run reliability of God's promises necessarily applied to each historical situation in the way that he, Jacob, hoped the promises would apply. Thus, he took the most effective action that he could to preserve some of his assets, given his imperfect knowledge of the uncertain immediate future. Jacob knew that his blessings were unmerited by his own worthiness, for they were given through God's grace, but he also understood that *the Lord helps those who help themselves*.[3]

First, Jacob divided his flocks into two camps. Second, he prayed to God for aid. Third, he selected animals from his flocks to serve as peace offerings to Esau. Finally, he was ready for the great confron-

3. This phrase, so familiar to Americans as a result of Benjamin Franklin's *Poor Richard's Almanack*, was part of the Puritan heritage. Franklin was nine years old when Samuel Moodey delivered his sermon, *The Debtors Monitor* (1715), in which he offered the following advice: "It is the diligent hand that gathers in, because its works are blessed. Nor has the blessing of God [though his common providence may] ever enriched, either the folded hand, or the hand stretched out in deceit or oppression. And now, not any further, and more particularly to add, how it is most for God's glory, and man's good, that we should help ourselves, that God may help us" (p. 51). "The Lord helps those who help themselves" is little more than a reworking of Moodey's words, and like so many of "Poor Richard's" slogans, the phrase was probably quite common in Franklin's day.

tation—not with Esau, but with God in the flesh. Jacob wrestled with the unnamed man throughout the night and demanded a blessing from Him (32:26). This man was a theophany of God, a pre-Incarnation revelation of God in human form. We know that God walked in the garden of Eden in the cool of the day (Gen. 3:8). We know that Abraham was visited by God in human form, and that Abraham spoke to Him face to face (Gen. 18). We know that "the Lord spake unto Moses face to face, as a man speaketh unto his friend" (Ex. 33:11a), yet Moses was told that he could not look on God's face and live (Ex. 33:20). The face of God the Father must be mediated through a theophany, or through Jesus Christ (John 14:9). Jesus said: "Not that any man hath seen the Father, save he which is of God, he hath seen the Father" (John 6:46). Again, we read in John 1:18: "No man hath seen God at any time; the only begotten Son, which is in the bosom of the Father, he hath declared him." Thus, what Moses saw in the burning bush was not the very face of God the Father, but a theophany, in this case a dual theophany: the burning bush itself and the angel of the Lord in the midst of the burning bush (Ex. 3:2). When Joshua saw the man holding the sword and challenged Him, the man announced that he was in fact the captain of the Lord's host. Joshua fell on his face, and the man said, "Loose thy shoe from off thy foot; for the place whereon thou standest is holy" (Josh. 5:15). These were the same words God spoke to Moses out of the burning bush (Ex. 3:5). Thus, concluded the author of "Anger" in the conservative *Cyclopedia of Biblical, Theological, and Ecclesiastical Literature* (1894): "These appearances are evidently 'foreshadowings of the incarnation.' By these God the Son manifested himself from time to time in that human nature which he united to the Godhead forever in the virgin's womb." He lists the man who wrestled with Jacob as one of these angelic theophanies.

In Hosea 12:4, we read of Jacob: "Yea, he had power over the angel, and prevailed: he wept, and made supplication to him. . . ." Hosea equated the angel with the Lord God of hosts, since it was He who spoke with Jacob (Hos. 12:5). The defeated wrestler gave Jacob his new name, Israel, which can be translated "he will rule as God" or "prince," and one commentator thinks it is best translated "successful wrestler with God."[4] The ability to rename a patriarch is clearly a prerogative of God (Gen. 17:1–5). The man announced: "Thy name

4. "Israel," *Cyclopedia of Biblical, Theological, and Ecclesiastical Literature* (New York: Harper & Bros., 1894), IV, p. 693.

shall be called no more Jacob, but Israel: for as a prince hast thou power with God and with men, and thou hast prevailed" (32:28). These words were spoken to an elderly man who had the strength to wrestle all night with a theophany. He was determined to have a blessing, whether it took wrestling or, in the case of his father, deception. In both cases, he received his blessing.

C. The Face of God

Jacob called the place of conflict Peniel, or "the face of God," for as he said, "I have seen God face to face, and my life is preserved" (32:30). What is most significant with respect to economics is that *Jacob sought God's face and blessing only after he had made all of his plans, but before he executed them*. He planned, prayed, planned some more, and then sought his blessing from God with such confidence that he wrestled God Himself to obtain it. He had done all that he believed possible to protect his assets and his life, and then he asked for his blessing. *Systematic planning and systematic prayer are complementary*.

Peniel was the capstone of a life of common sense, hard work, shrewd planning, and remarkable economic acumen. Jacob had bargained for the birthright that God had promised his mother he would receive; collected his blessing under adverse circumstances; departed in poverty; and returned back to the land with great wealth, which had been amassed in the face of treachery by Laban, an economic oppressor and liar (Gen. 31:41). He saw no contradiction between his careful planning to preserve a portion of his capital and his humble prayers before God. He saw no contradiction in his advanced age and a night-long struggle with God in the flesh (not in the sense of full Incarnation, of course). He saw no contradiction between God's unmerited favor toward him and his own personal responsibility to do all that he could to preserve what God had given to him. He saw no reason to be soft-headed on the one hand, and blindly self-confident on the other. Jacob-Israel was an eminently practical man of great wealth and skill in managing capital resources, a man willing to act in terms of a life of education in capital accumulation, even before he approached God in prayer. He assumed, quite correctly, that God honors the sensible instincts of law-governed and experience-disciplined stewards—instincts gained through years of self-discipline. At Peniel, Jacob became Israel, a prince, a man of power with men and God, one who prevailed over his shortsighted brother, his nearsighted father, his sin-blinded uncle, and God Himself.

He went from Peniel to his brother and the troops, and once again, he emerged with his life and capital intact. He was to walk with a limp (32:31), a sign of his non-autonomy before God, but he walked once again into victory. He played the servant's role in front of Esau his brother (33:14), and he did not tarry with him, probably because he was unwilling to risk another emotional shift by Esau, from friendship to rage. His wisdom and his knowledge of his opponent's psychological weaknesses allowed him to triumph one more time.

Conclusion

Jacob stands like a beacon of common sense and careful economic planning. His example is not one to be ashamed of; it is to be imitated. There is no shame in continual victory in the face of seemingly overwhelming opposition. The world needs more godly men who can successfully wrestle with God and circumstances, and still emerge victorious, although possibly limping.

It is Isaac, not Jacob, who tends to be favored by the modern pietistic commentators, the supposed victim of ungodly deception, rather than a shortsighted, nearsighted, present-oriented old man who refused to take seriously God's promise concerning the respective destinies of his two sons. Isaac was ready and willing to defy God and sell his blessing unlawfully for a plate of venison stew. The sympathy for Isaac and the criticism dumped on Jacob by modern commentators is indicative of the power of pietism—a systematic retreat from the hard decisions of daily life—to distort men's judgment of the Scriptures. Future-oriented Jacob, not present-oriented Isaac, should be our representative guide. When Isaac was old (though at least two decades away from death), he wanted a plate of stew as his final reward before joining his fathers in death (Gen. 27:4). When Jacob was old, he wrestled with God and asked for still another blessing, that he might pass through yet another danger to safety, and with at least half his family's capital intact. May godly old men live like Jacob rather than Isaac. May godly young men live like Jacob, too, in order to learn the successful way to grow old. Victory, as with any other skill, takes practice.

If we are to learn anything from the careers of Esau and Laban, it is this: *defeat takes practice, too*. Esau and Laban may have been successful men in their dealings with lesser men, but when they faced the likes of Jacob, they were conditioned to defeat. Jacob had courage, shrewdness, and a commitment to the future. Esau and Laban were

not prepared to deal successfully with a godly man like Jacob. Neither is the unregenerate world today. Time and God are on the side of the Jacobs of the world. They shall become Israels.

31

THE LAW OF DIMINISHING RETURNS

And Esau took his wives, and his sons, and his daughters, and all the persons of his house, and his cattle, and all his beasts, and all his substance, which he had got in the land of Canaan; and went into the country from the face of his brother Jacob. For their riches were more than that they might dwell together; and the land wherein they were strangers could not bear them because of their cattle.

GENESIS 36:6–7

The theocentric principle here is sanctions: point four of the biblical.[1] It refers back to the curse of the land.[2]

This is the second great division of families recorded in the Book of Genesis. The first one was the division between Lot and Abraham. The same reason was given in both instances: "And the land was not able to bear them, that they might dwell together: for their substance was great, so that they could not dwell together" (Gen. 13:6).

We are not told why the land would no longer support the families and flocks of the two sons of Isaac. It may have been that the Canaanites were numerous, and that the families were able to occupy only a tiny fraction of the land of Canaan. Obviously, when the exodus from Egypt brought 600,000 men and their families (Ex. 12:37) back into the land, it was sufficiently productive to support them. Nevertheless, the Bible is clear: neither Abraham and Lot nor Esau and Jacob could raise their cattle on whatever land was available to them. The curse

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. Chapter 12.

of the ground (Gen. 3:17–19) made itself felt. The families had more living wealth than the land could support.

A. Factors of Production

These men faced the law of diminishing returns, an economic doctrine made famous by the English economist David Ricardo in his important book, *Principles of Political Economy and Taxation* (1817). The basic idea had been discussed by economists of the late eighteenth century, when Sir James Steuart and the Baron de Turgot both published treatments of the topic in 1767. Steuart's formulation, later called the law of the "extensive margin," observed that as population increases, poorer and poorer lands are brought into cultivation in order to feed the newcomers, so that equal amounts of productive effort yield progressively smaller harvests. (Of course, this statement of the problem implicitly assumes that other factors remain equal, especially agricultural technology.) The second formulation, put forth by Turgot, is far more relevant, the so-called law of the "intensive margin." Schumpeter's summary of Turgot's position is a good one. As equal quantities of capital (or labor) are applied to a given piece of land, the quantities of the product that result from each application will at first increase, then decrease. If more applications of the same resource are added, given a fixed quantity of land and fixed technology, then output will eventually fall to zero. Schumpeter wrote: "This statement of what eventually came to be recognized as the genuine law of decreasing returns cannot be commended too highly."[3] After 1900, American economists termed this observation by Turgot "the law of variable proportions." First there is an increase, then a decrease in output per unit of resource input.

It is easiest to understand in the case of agriculture. Assume that there is a single acre of land. One man works the land by himself. He has trouble lifting large rocks, and he cannot move boulders. Rolling logs is very difficult. Then he hires an assistant. Now certain jobs become manageable, and some, which were previously impossible, become possible. The total output produced by two men may be more than double the cost of each man's wages. So, the owner of the land hires another man, and another, and another. Eventually, the men begin to get in each other's way. Production sags. Costs increase. It no longer pays to hire more men. It may even pay to fire one or more

3. Joseph A. Schumpeter, *A History of Economic Analysis* (New York: Oxford University Press, 1954), p. 260.

of them. Marginal net returns—the profits from the addition of one resource factor to the "production mix"—eventually fall to zero, or even become negative. The costs of employing an additional laborer eventually exceed the benefits derived from that additional laborer.

This is precisely the problem that Jacob and Esau faced. Within the confines of the available land, the two families could no longer remain productive. The land had "filled up." This did not mean that cattle were standing side by side, or that the tents of Esau's servants were right next door to those owned by Jacob's servants. But the productivity of the land was falling noticeably. The output of cattle, whether in numbers, or weight, or however the two family leaders measured output, was falling because there were too many of them for the relatively fixed supply of land. Esau reached a major decision. He left in order to find a more profitable "mix" of cattle and land. He went searching for the "wide open spaces."

This demonstrates the importance of the curse of the ground for the goal of geographical dominion. Because every single acre of ground has been cursed by God, productivity per acre has been restrained. Those wishing to multiply their flocks or crops are eventually forced to subdue more ground. They cannot remain on that original plot of ground and progressively expand the physical output of goods. If they want more wealth, they must seek out available land to bring under cultivation. Their desire for greater wealth impels them to bring more land under cultivation.

What must be understood from the beginning, however, is that *the law of diminishing returns is not limited to agriculture*. It is basic to all economic production. The limits of scarcity are everywhere. Schumpeter's discussion of this point is extremely illuminating.

> Both Steuart and Turgot spoke of agriculture only. Fifty years ago [i.e., about 1900] this would not have astonished anybody, since it was then established practice to restrict decreasing returns to agriculture. But we who take it for granted that neither increasing nor decreasing returns are restricted to any particular branch of economic activity but may prevail in any branch, provided certain general conditions are fulfilled, are in a position to realize how surprising that actually was. Explanation seems to lie in the fact that, to the unsophisticated mind, there is something particularly compelling in the limitations imposed upon human activity by an inexorably "given" physical environment. It takes prolonged effort to reduce the analytic importance of these limitations to their proper dimensions and divorce them from the soil and the industry that works the soil. Yet it should not have taken so long to see that there is really no logical

> difference between trying to expand output on a given farm and trying to expand output in a given factory, and that if farms cannot be indefinitely multiplied or enlarged, neither can factories. The additional explanation required is provided by the belief of practically all eighteenth-century authors—a belief that carries over to the "classics" of the nineteenth century—that while the factor land was given once for all, the other original factor, labor, would always increase to any amount required if allowed to do so. If we adopt this view, we shall at once sympathize with the reluctance of those authors to treat labor and land alike and to apply the laws of physical returns impartially to both.[4]

In other words, all resources are limited. Put another way, at zero price, there is greater demand for most goods than supply of those goods. This is what defines a scarce resource, meaning an economic good. No single good can provide us with all the output we could ever want. There is no magic formula, no genie in a bottle, that can provide us with an infinite supply of desirable goods and services. We cannot turn stones into bread—not at zero cost, anyway. The limited productivity of "land," and the limited supply of land, force us to search out new supplies of land when our productivity presses against the limits of the land. But the same restraints apply to all resources. *No asset is infinitely productive.* If we want more steel, we must build more steel mills, unless we can develop a cost-effective technology that enables us to expand steel production in the same factory. The curse of the ground also implies a curse on man: technology is not infinitely expandable. Contrary to Schumpeter, there are decreasing returns to technology.[5] Man is not originally creative, nor is he infinitely creative. He is a creature. In any case, even if we admit that men have enormous powers of technological creativity, there are still two further limits that can never be overcome: *time* and *capital*. It takes time to develop and install a new technology, and it takes capital resources. The *day of judgment* limits the first factor, and the *curse on the creation* limits the other. The rate of interest—a phenomenon of time-preference—also limits the application of technology. Men will not and cannot give up all present consumption.[6] For this reason,

4. *Ibid.*, p. 261.

5. *Ibid.*, p. 263. Inventor and evolutionist Raymond Kurzweil believes that there is a law of accelerating returns. This has to do with the constant reduction of information costs, which has continued since at least 1890. Raymond Kurzweil, "The Law of Accelerating Returns" (2001). This theory presumes that energy costs will continue to decline.

6. Ludwig von Mises, *Human Action* (New Haven, Connecticut: Yale University Press, 1949), ch. XVIII. See also the essays by the American economist Frank A. Fetter:

there is an *inescapable discount rate applied to future income as against present income*. Economists call this discount rate the rate of interest, or "originary interest," or simply time-preference. Even if there were no limits on man's intellectual capacity to devise new technologies, an assumption which cannot be made given the Bible's doctrine of man, technological innovations require both time and capital, and there are limits on both.

Whatever man turns his hand to will eventually produce negative returns (losses) if the producer insists on adding ever-greater quantities of complementary resources to a fixed supply of any particular resource. He will have to search out new ways of combining these resources, or find quantities of the overextended factor of production that can be purchased or rented at prices that enable him to increase the value of his production's final output. His desire for increased wealth impels him to devote energy, capital, and time to subduing his portion of the earth.

In the case of land, the law of diminishing returns tells us that there are limits on the soil's ability to sustain life. If a land user refuses to acknowledge the existence of such limits, then his attempts to expand output by adding more and more complementary factors of production—more seed, more laborers, more water, etc.—will eventually deplete the soil. This is one technological reason why Israel was required to rest the soil one year in seven (Lev. 25:2–7).[7] The land is entitled to its rest. Before the soil is completely exhausted, however, the law of diminishing returns will make itself felt. Output per unit of resource input will decline. The farmer will have to add fertilizers, use new technological devices, implement a system of soil-replenishing crop rotation, or allow the land to lie fallow if he is to save the value of his land. The law of diminishing returns therefore provides men with *an economic incentive to care for the land and make it fruitful* by acknowledging and honoring its limits.

B. The Tragedy of the Commons

Land that is not privately owned by the person using it is far more exposed to reckless soil depletion and ecological devastation. This is the so-called "tragedy of the commons," in which the political au-

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Capital, Interest, and Rent: Essays in the Theory of Distribution, ed. Murray N. Rothbard (Kansas City, Kansas: Sheed, Andrews and McMeel, 1977).

7. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 23.

thority owns the land and leases it out (or even temporarily gives it away free of charge) to private or public uses. The man who benefits immediately from its use—running animals on it, stripping it of its trees, camping on it, digging minerals out of it—has little direct incentive to conserve its productivity. If he had exclusive use of it for many years, he might, but that is almost the same as reintroducing private ownership. His personal benefits are directly and immediately realized; the costs associated with the depletion of the resource are borne by all taxpaying citizens—an infinitesimal additional cost to the actual user. Because it is not his land, he need not conserve its long-run productivity. A kind of "positive feedback" occurs. It generally pays to add one more cow or cut down one more tree, unless the variable costs—supervising the cow, sharpening the saw, spending the time—have risen so high that even the "free" land is not a sufficient subsidy to continue production. The "positive feedback" process can continue until the ecological crisis hits, and the productivity of the "free" resource plummets.[8] The "negative feedback" of the law of diminishing returns is temporarily blunted, because the retarding factors—increased costs of maintaining the long-term productivity of the resource—are not forcefully registered in the mind of the user. Others also bear these costs, and his personal benefits far outweigh his share of them. Eventually, the law visibly reasserts itself, since it is simply a discovered regularity based on a real fact, namely, the curse of the ground. But the crisis may give few warnings, at least few that the user will recognize or respect. It comes all at once, not in smaller portions that an owner of private property would be more likely to recognize and take steps to alleviate or reverse. Without private ownership of the means of production, the law of diminishing returns does not produce those warnings concerning the impending advent of radically reduced output from an overused resource.[9] Or, more accurately, the warnings are not heeded so rapidly. (Economists call this the problem of "externalities.")

It is extremely difficult and costly for bureaucracies to evaluate the full effects of the use of any publicly owned resource. The costs of upkeep in relation to the benefits of use are evaluated by different people. The reality of the subjective theory of value asserts itself. The bureaucrats in charge of managing or leasing the public property must estimate the value produced by the users of the resource, and this is in-

8. Garrett Hardin, "The Tragedy of the Commons," *Science* (Dec. 13, 1968).
9. C. R. Batten, "The Tragedy of the Commons," *The Freeman* (Oct. 1970).

evitably impossible to estimate without prices. But even prices do not tell the administrators everything they wish to know. Is the subsidy to the public of "free" land, for example, really the best way to benefit the public? How can any bureaucrat determine the answer? Are the costs too high? Again, how can he put a price tag on the costs if the asset is publicly owned and therefore not subject to the subjective evaluation of costs by its legal owners, the voters? Who is to say whether the bureaucrats' assessment of the "true" costs and benefits to the "public" are the same as the "public" would assess them? And how is the "public"—a collection of individuals—to register its collective judgment? Who pays the piper, whose ox will be gored, and who eats the cake? So, the management of publicly owned resources tends to swing between policies of overuse and no use, between the profligate squandering of resources through "free" leases that lead to erosion, and the mandated inactivity that leads valuable assets to sit inactively. First the bureaucrats allow erosion, then they require total conservation, which means that productive assets are rendered unproductive, or productive only for those few people who enjoy using the resource in a legally acceptable way (such as hikers who enjoy the wilderness and who do not enjoy the sound of chain saws or other tools of production).

The Puritans of New England learned these lessons early. After 1675, with half a century of mismanaged common lands behind them, they steadily sold off the communally owned property to private owners. The bickering about who was to pay for the cattle herders, how many trees were to be cut down yearly, whose fences were in disrepair, and the costs of policing the whole unmanageable scheme, finally ended. So ended the "tragedy of the commons."[10]

C. Dominion and Diminishing Returns

When structured through the private ownership of scarce resources, the law of diminishing returns becomes an incentive for the fulfillment of the dominion covenant. Men reach the limits of productivity of a particular production process. They are forced to find better methods of production, or to find additional quantities of some overextended factor of production. They must either intensify production through better technology and more capital, or search for more of the resource that has reached its limits of productivity under the prevailing production "formula" or "recipe." The overextended resource may be land,

10. Gary North, "The Puritan Experiment in Common Ownership," *The Freeman* (April 1974).

a building, the labor supply, managerial talent, forecasting skill, or any other scarce economic resource. When its limits are reached, men have an economic incentive to find new ways of accomplishing their goals. They may have to re-think their goals because the costs have risen, or else they must find ways to reduce the costs of achieving their goals. Or they may have to settle for a combination: modified goals and reduced costs of production. But they must change. Along with many other factors, the law of diminishing returns makes change inevitable. The kind of culture that change produces in a profit-seeking society in which the private property system prevails is dominion-oriented. The earth is subdued, if not because men aim at subduing it for God's glory, then at least for individual profits. The general dominion covenant is furthered.

By fostering conservation, the quest for long-term returns from the ownership of any productive resource also tends to preserve the productivity of the earth. The dominion covenant is not to serve man as an excuse to destroy the earth. Because men failed to give the land of Israel its rest, they went into captivity for 70 years (II Chron. 36:21). They were warned not to misuse the soil. Because the price we pay for a productive asset is the function of our expected future returns from that resource (a stream of income over time), discounted by the rate of interest, we have an incentive to maintain that resource's productivity. We are pressured to count the costs of ownership and use. The law of diminishing returns is inescapable. We must recognize the limits of scarcity. Having recognized these limits, we are to find ways to mitigate scarcity's burden in lawful ways by expanding output, improving our techniques of production, and buying more capital resources. We must count the costs and evaluate the benefits. We become winners or losers as individual decision-makers. If output falls when we add more inputs, we are pressured to discover why. We are told by the profit-and-loss accounting statements that we are now overusing a particular resource, and that we must stop doing so if we are to keep from wasting resources. The search begins for more of the overextended resource or for techniques of production that compensate for the falling productivity of the present production mix. The dominion covenant is extended.

Conclusion

In Esau's case, he decided to leave. His decision led to the establishment of Edom. It also allowed Jacob to increase his family's hold-

ings, at least until the time of the great famine when they journeyed to Egypt. The Canaanites who dominated the land in the era of the famine were to enjoy their independence for only 255 years after that famine.[11] Both Jacob and Esau were to increase their dominion of the earth as a result of the law of diminishing returns. It forced them to seek new lands to conquer.

11. The Israelites were in Egypt for 215 years. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 1. *Representation and Dominion* (1985), ch. 1. Then they were in the wilderness for 40 years.

32

The Blessing of Responsibility

And the L*ORD* *was with Joseph, and he was a prosperous man; and he was in the house of his master the Egyptian. And his master saw that the* L*ORD* *was with him, and that the* L*ORD* *made all that he did to prosper in his hand. And Joseph found grace in his sight, and he served him: and he made him overseer over his house, and all that he had he put into his hand.*

GENESIS 39:2–4

The theocentric issue here is hierarchy: point two of the biblical covenant.[1]

A. Selecting Subordinates

Like Jacob his father, who had served Laban for many years, Joseph was proving to be an efficient, highly profitable servant. Potiphar, like Laban, recognized that God had some special relationship with his servant, and he was determined to benefit from this fact. Both Laban and Potiphar sought to appropriate the fruits of their servants' productivity by delegating increased responsibility into their hands (Gen. 30:27–28). Furthermore, during the period when each master dealt justly with his servant, he saw his own economic affairs prosper.

We are not told what duties Potiphar had as captain of the guard. We are told that as far as his own household was concerned, he delegated all authority to Joseph, "and he knew not ought he had, save the bread which he did eat" (39:6). In one respect, Potiphar proved that he was a successful businessman, for one of the most important

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 2; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 2.

aspects of the entrepreneur's tasks is to locate and employ able subordinates. Frank H. Knight, whose pioneering work, *Risk, Uncertainty and Profit* (1921), presented the first systematic, accurate analysis of profit, put it even more emphatically:

> . . . this capacity for forming correct judgments (in a more or less extended or restricted field) is the principal fact which makes a man serviceable in business; it is the characteristic human activity, the most important endowment for which wages are received. The stability and success of business enterprise in general is largely dependent upon the possibility of estimating the powers of men in this regard, both for assigning men to their positions and for fixing remunerations which they are to receive for filling positions.[2]

The essence of control over a business, he argued, is mainly the selection of the men who will do the controlling. "Business judgment is chiefly judgment of men."[3] Therefore, he concluded,

> In the field of organization, the knowledge on which what we call responsible control depends is not knowledge of situations and problems and of means for effecting changes, but is knowledge of other men's knowledge of these things. . . . so fundamental is it for understanding the control of organized activity, that the problem of judging men's powers of judgment overshadows the problem of judging the facts of the situation to be dealt with.[4]

This analysis may be exaggerated, but it certainly holds true for very large-scale organizations. In the case of Potiphar and Laban, they initially exercised very good judgment concerning the judgment of their God-blessed subordinates.

Potiphar's error was in relinquishing control of his family. In abdicating the management position in the family business, he went too far. He did not notice, or chose to ignore, his wife's roving eye. In the time of crisis, when it was his wife's word against Joseph's, he chose to believe his wife rather than the man who had proven faithful and competent in the management of the family business. He thereby forfeited the benefits that Joseph's abilities had brought him, just as Laban had forfeited the benefits of Jacob's productivity.

B. Demotion and Promotion

Joseph was cast into prison. Through no fault of his own, he had lost his position of authority. Potiphar's envy had brought him low, just as

2. Frank H. Knight, *Risk, Uncertainty and Profit* (Boston: Houghton Mifflin, 1921), p. 229.

3. *Ibid.*, p. 291.

4. *Idem.*

Joseph's brothers' envy had led to his exile in Egypt. But the keeper of the prison immediately recognized Joseph's unique talents, and like Potiphar, he was willing to entrust the administration of his organization to Joseph, and "whatsoever they did there, he was the doer of it. The keeper of the prison looked not to any thing that was under his hand; because the LORD was with him, and that which he did, the LORD made it to prosper" (39:22b–23). Officially, he had been a slave; in reality, he had been master of Potiphar's household. Legally, he was now a prisoner; in reality, he was the director of the prison.

Slavery and prison: neither position is relished by any servant of God. But once forced into such a position, the godly man does his best with whatever resources are available to him. He accepts whatever lawful authority is offered to him, going about his daily affairs honestly and efficiently. He subdues that portion of the earth which God has allotted to him. If he can obtain his freedom lawfully, he does so, for freedom is a better condition in which to exercise one's calling before God (I Cor. 7:21–23).[5] Nevertheless, a man is to be content with the status quo if that is where God has placed him (I Cor. 7:20; I Tim. 6:6–8).[6]

By serving well in the position that had been given to him, Joseph discovered that responsibility flowed his way. As with scarce economic resources that flow in the direction of those who serve the buying public most efficiently, so responsibility tends to flow in the direction of those willing and able to bear the burdens of responsible decisionmaking. In a present-oriented culture, this is doubly true, for men seek to escape the burdens of future-oriented decision-making. They want to be the recipients of the fruits of efficient labor, but they are not interested in personally bearing the direct costs of bearing risk (in the sense of a statistically calculable risk) or uncertainty (in the sense of an unknown future that cannot be dealt with by means of the laws of probability). The more present-oriented and risk-avoiding a culture is, the more responsibility and profit opportunities it will lose to those willing to risk failure.

Neither Joseph nor Jacob was favored because he shared the religious presuppositions of his employer. The opposite was true: they were selected to serve precisely because a very different God from

5. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 8.

6. Gary North, *Hierarchy and Dominion: An Economic Commentary on First Timothy*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 10.

those the employers worshipped was favoring the two servants. The servants were not beloved, but only respected. Later, they were resented. Initially, however, the masters were not overly concerned about the religious beliefs of their servants, but only with their productivity. A very similar feature of the free market is this lack of concern about the personal characteristics of producers. The buyer is normally unconcerned about the race or religion of the manufacturer of the product. On a personal basis, the buyer might be alienated by the producer. He might even despise him. Yet, as a customer, he is primarily concerned with the price and quality of the product. The more impersonal the market—the broader, more extensive, more mechanized the market—the more likely that productivity will count for more than the personal characteristics of the producer. The covenant of dominion is assigned to all people; hence, the person who comes closest to fulfilling the buyers' concept of efficient production under competitive market conditions (price competition, open entry, absence of state-imposed restrictions on selling), will receive the value of his output. He will have the greatest opportunity to demonstrate his talents for production.

The problem faced by Joseph and Jacob was the fact that their employers regarded them as magical talismans of some sort. They saw that God blessed the two men, but they themselves did not choose to humble themselves before God. They thought that they might manipulate God by hiring those favored by Him. In the case of both Potiphar and Laban, their own character defects destroyed their ability to appropriate the productivity of their servants. Laban was greedy (Gen. 31:7), and Potiphar was envious of Joseph, or at least embarrassed by his wife's actions, and too weak to take Joseph's side in the dispute. Because they were so close to their servants, they were in effect surrendering themselves to the authority of their subordinates, for their prosperity depended upon the continuing relationship between the God of their servants and their own households. Eventually, this became too great a price to pay. They drove out their honorable servants, even as generations of gentiles drove out productive Jews, or as French Roman Catholic kings drove out the Huguenots in the sixteenth century.

C. Pragmatism's Weakness

This is the weakness of pragmatic thought. Pragmatism is related to magic. Pragmatists and magicians share similar presuppositions.

Both deny the sovereignty of God. Both elevate the desires of man to principles of social organization. Both say in effect, "If it works, I'll buy it; if it pays, I'll manipulate it." Is it surprising that the modern secular world, officially pragmatic and relativistic, should witness an outbreak of magic, witchcraft, and occultism?[7] The same relationship was basic to the Renaissance and the Roman Empire. Is it surprising that the pragmatists, relativists, and occultists resent the religion of the Bible? The burdens associated with a godly calling are heavy for the pragmatist. Thrift, future-oriented investing, honest dealing, and risk-bearing are increasingly abandoned by hedonistic pragmatists. *Pragmatism requires moral constraints that are the product of a non-pragmatic culture.* Without these restraints, pragmatism degenerates into the lowest common denominator principle: theft, envy, and the abdication of personal responsibility—very often an abdication to the political authorities. Pragmatists like Potiphar will not pay the price. They will not humble themselves before the God they seek to manipulate. In the long run, they lose. They are not productive, and capital tends to flow in the direction of those who are. As the Proverbs say, "The wealth of the sinner is laid up for the just" (13:22b).[8]

Responsibility is therefore a potential blessing. In the short run, good servants may be able to appropriate more of it indirectly from those willing to abdicate a position of full leadership. In time, their "masters" grow weaker economically and politically, as they delegate too much authority to their subordinates and become too dependent upon their subordinates' continuing productivity. If the masters refuse to submit themselves to God's law-order, the godly servants will eventually triumph, even as Joseph triumphed. Responsibility, like capital, eventually winds up in the hands of those who exercise it well. *The burden of responsibility is ultimately a blessing, for it is the basis of external victory in time and on earth.*

D. Suffering Servant

Joseph and Jacob were suffering servants. They served their masters well, yet their masters failed to appreciate their moral character. The same role was played by Jesus Christ, who was also a suffering servant. Through His own perfection, He alienated the rulers of His

7. Gary North, *Unholy Spirits: Occultism and New Age Humanism* (Ft. Worth, Texas: Dominion Press, 1986).

8. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs* (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 40.

day. He paid the highest price in order to serve His friends, for he laid down His life for them (John 15:13). Yet in doing so, He triumphed over all His enemies (Matt. 28:18). This relationship between service and victory is basic to biblical order. Christ said:

> Ye know that the princes of the Gentiles exercise dominion over them, and they that are great exercise authority upon them. But it shall not be so among you: but whosoever will be great among you, let him be your minister; and whosoever will be chief among you, let him be your servant: Even as the Son of man came not to be ministered unto, but to minister, and to give his life a ransom for many (Matt. 20:25–28).

Nowhere can this principle be seen more clearly than in the free market. The producer who best meets the desires of customers will prosper. He must subject himself to the highest-bidding participants in the market. This need not mean the richest people in society. In fact, the highest bidders may be a mass market: millions of people bidding a few dollars each, rather than a handful bidding several thousands each. The producer seeks the highest rate of return on his capital and labor. He cannot compel buyers to pay his price, except in very rare instances. He has to clear his inventory of products at the price that the buyers are willing to pay. Of course, he seeks the highest available price where no additional bidders are willing to pay his price, and no products remain in stock to be sold. We can imagine the market's clearing process as a theater. When all the seats are filled, and no one is standing in line to get in, the seller of seats has forecasted his market perfectly. He has set his price in terms of market demand. He has served his customers well, as his filled seats demonstrate, but he has also served himself well. He has earned the highest return per seat. The richest, most successful, most famous entrepreneurs in the market are those who have consistently and accurately forecasted future market demand. The chief rulers of the free market are those who serve the buyers well.

The free market does not call us to be suffering servants. It calls us to meet the demands of the potential buyers better than our competing sellers. It calls us to be prospering servants. The better we serve, the higher our income. If we would be chief among businessmen, we must serve the buyers best. The entrepreneur who bears full responsibility for his forecasts, and who also forecasts accurately, will experience the financial blessings of responsibility.

Conclusion

The Bible repeats the theme of prison as a training ground for victory: Joseph in prison, Daniel in the lion's den, Paul in several prisons, and the archetypal image of Jesus in the prison of the grave. The "suffering servant" motif is similar: suffering brings victory. In the case of the church in history, suffering of earlier generations brings victory for later generations. Thus, the *means* to victory, suffering, is *not* our goal: victory is our goal. The emphasis on continued suffering is theologically invalid; sin is to be progressively conquered in history, and suffering thereby progressively reduced.

The free market reflects this overcoming of suffering, sin, and scarcity. Men are to be servants, but successful men are not to suffer throughout their lifetimes; they are instead to prosper. Customers are not to suffer either; they are to benefit from the productivity that freedom and personal responsibility produce.

33

THE ENTREPRENEURIAL FUNCTION

And Joseph said unto Pharaoh, The dream of Pharaoh is one: God hath shewed Pharaoh what he is about to do. . . . This is the thing which I have spoken unto Pharaoh: What God is about to do he sheweth unto Pharaoh.

GENESIS 41:25, 28

Joseph had demonstrated his administrative competence to Potiphar, captain of the guard, and to the Egyptian jailer. He had also shown his ability to interpret prophetic dreams to the Pharaoh's butler. The butler recommended Joseph to Pharaoh when Pharaoh confronted a dream which he could not understand. They brought him from the dungeon, and Pharaoh described his visions of the seven fat animals being devoured by the seven lean ones, and the seven fat ears of corn being devoured by the seven lean ones. Joseph informed Pharaoh that the dream revealed the coming of seven years of agricultural prosperity to be followed by seven years of famine. As for the two separate visions, "The dream was doubled unto Pharaoh twice; it is because the thing is established by God, and God will shortly bring it to pass" (41:32). Joseph entertained no doubts whatsoever. God had provided a *double witness*.

Pharaoh wisely listened to Joseph's interpretation. When Joseph then recommended that Pharaoh seek out a man "discreet and wise, and set him over the land of Egypt" to direct the collection of one-fifth of the grain during the seven years of plenty, Pharaoh appointed Joseph (41:33–43). Not only did Joseph's prophecy come true, but he also once again proved himself to be a reliable and efficient administrator of men. Because of his unique combination of economic fore-

sight (in this case, prophetic in nature) and efficient administration, Joseph stands out as the Bible's archetype of the entrepreneur.

A. The Future Is Uncertain

It is the task of the entrepreneur to *forecast* the future accurately, at least insofar as it affects his business, and then to *plan* effectively to meet the economic demands of customers in that expected future. *Of all the economic functions of the free market, this is the pivotal one.* The ability of men to estimate the demands of their fellow men in the future, and then to produce in terms of those demands without wasting scarce economic resources, makes it possible for society to advance beyond the most primitive methods of production.

The individual who does plan efficiently for the future, producing goods or services that satisfy the demand of customers at the prices he expected them to pay, reaps a reward: entrepreneurial profit or pure profit. It is an *economic residual:* funds remaining after payment has been made for raw materials, labor, capital equipment, interest, rent, and taxes.[1] The person who misforecasts the future, or who is unable to foresee the costs of delivering his goods and services to the waiting customers, eventually produces losses. He is forced to dip into his capital in order to stay in business. If the losses continue, he loses control of capital resources, and others who are able to meet future customer demand with less waste are able to buy these resources from him.

In the competitive auction market for scarce economic resources, profit-making individuals bid more effectively for resources, transferring them to their own companies in order to meet the demands of customers. The customer benefits, for he is able to purchase more resources at the end of the production process, precisely because there has been less waste of land, labor, and capital in delivering the goods to him. *The customers therefore determine the success or failure of entrepreneurs.* Those who waste resources by failing to meet customer demand at prices customers are willing to pay are penalized, while those who are successful are rewarded with entrepreneurial profit. A free market encourages *customer satisfaction* and *efficiency of production*.

1. On profit as an economic residual which results from accurate forecasting, see Frank H. Knight, *Risk, Uncertainty, and Profit* (Boston: Houghton Mifflin, 1921); Ludwig von Mises, *Human Action* (New Haven, Connecticut: Yale University Press, 1949), ch. XV, sec. 8; Murray N. Rothbard, *Man, Economy and State*, 2nd ed. (Auburn, Alabama: Mises Institute, [1962] 2009), ch. 8.

Profit is therefore a residual accruing to those who deal on a day-today basis with the *inescapable uncertainties of the future*. Men are not omniscient. We cannot see the future perfectly. We are limited creatures. Even Jesus in His Incarnation as a perfect man admitted that He did not know—in terms of His human nature—when God's judgment would arrive (Matt. 24:36). Creatures should respect their own limitations.

By encouraging specialists in economic forecasting to administer scarce economic resources, customers seek to mitigate the uncertainties of life. By permitting entrepreneurs the right to keep the economic residual, or *profit*, of their activities in meeting customer demand, customers ensure that their desires will be met with greater efficiency. The burden of bearing uncertainty is picked up by those willing to do it, and their incentive is the lure of profit. If they make mistakes, they produce losses.

1. Customer Authority

The *customer* is the beneficiary of the entrepreneurial function, Frank H. Knight concluded. Because others are willing to become entrepreneurs, or as they are also called, speculators, the customer can shift much of the responsibility for predicting the future to these specialists. In fact, the entrepreneurs make it their business to know what the customers will want in the future even before the customers know. We know, for example, that the customer seldom contracts in advance for the delivery of goods or services. Why not? (Note: Knight wrote of the consumers, not the customer.)

> A part of the reason might be the consumer's uncertainty as to his ability to pay at the end of the period, but this does not seem to be important in fact. The main reason is that he does not know what he will want, and how much, and how badly; consequently he leaves it to producers to create goods and hold them ready for his decision when the time comes. The clue to this apparent paradox is, of course, in the "law of large numbers," the consolidation of risks (or uncertainties). The consumer is, himself, only one; to the producer he is a mere multitude in which individuality is lost. It turns out that an outsider can foresee the wants of a multitude with more ease and accuracy than an individual can attain with respect to his own. This phenomenon gives us the most fundamental feature of the economic system, *production for a market*, and hence also the general character of the environment in relation to which the effects of uncertainty are to be further investigated.[2]

2. Knight, *Risk, Uncertainty and Profit*, p. 421.

Does this mean that bureaucrats operating at the very top levels of government planning agencies are better able to foresee the needs of customers than the customers are? Not necessarily. What we are comparing is not "customers" vs. "government forecasters" in the realm of forecasting future customer demand, but rather "customers served by profit-seeking, competitive entrepreneurs" vs. "customers served by Civil Service-protected, guaranteed tenure, monopolistic government planners." The fact that government planners have access to reams of data concerning past decisions of customers and producers means very little. *The crucial ability is to make correct assessments about the uncertainties of the future*, meaning those aspects of the economic future that are not subject to computerization or even statistical probabilities. It is the presence of incessant *change* in human affairs that calls forth the skilled and not-so-skilled entrepreneurs in the quest for profits. The market provides a system of economic competition that sorts out the successful from the unsuccessful entrepreneurs. There is no comparable system operating in government, for government has a monopoly of support (taxation) and very often a monopoly of supply operations, such as the delivery of first-class mail, which insulates it from the competitive framework of the open market.[3] Knight's warning is significant: "The real trouble with bureaucracies is not that they are rash, but the opposite. When not actually rotten with dishonesty and corruption they universally show a tendency to 'play safe' and become hopelessly conservative. The great danger to be feared from a political control of economic life under ordinary conditions is not a reckless dissipation of the social resources so much as the arrest of progress and the vegetation of life."[4] Bureaucracy favors present-oriented risk- (uncertainty-) averters.[5]

What service is it that the entrepreneur performs in order to receive his residual? *He perceives a special opportunity in the future.* He believes that customers will be willing and able in the future to pay

3. Ludwig von Mises, *Bureaucracy* (New Haven, Connecticut: Yale University Press, 1944). On the inability of governments to make accurate economic assessments of costs and benefits, see Mises' essay, "Economic Calculation in the Socialist Commonwealth," (1920), in F. A. Hayek, (ed.), *Collectivist Economic Planning* (London: Routledge & Kegan Paul, [1935] 1963), ch. III (http://mises.org/pdf/econcalc.pdf). He expanded his analysis of this topic in his book, *Socialism: An Economic and Sociological Analysis* (New Haven, Connecticut: Yale University Press, [1922] 1962), Book II, chaps. 1, 2.

4. Knight, *op. cit.*, p. 361.

5. Gary North, "Statist Bureaucracy in the Modern Economy," *The Freeman* (January 1970), reprinted in North, *An Introduction to Christian Economics* (Nutley, New Jersey: Craig Press, 1973), ch. 20.

more for a particular good or service than today's entrepreneurs think they will be willing and able to pay. Because of this lack of perception on the part of his competitors, the entrepreneur finds that the scarce economic resources that are used in the production of the good or service are underpriced in relation to what they would be if all entrepreneurs recognized the true state of future customer demand. The entrepreneurs are *middlemen for customers*, actual surrogates for them. They enter the markets for production goods and compete among each other in order to buy them, but always because they intend to sell the results of production to customers. If an entrepreneur sees that certain factors of production are presently underpriced in relation to what customers in the future really will be willing and able to pay for them in the form of final goods, then he has a profit opportunity. (Of course, he has to pay a rate of interest, because future goods are always discounted in comparison to what people will pay for present goods, and he has to tie up the use of the scarce resources until the time he can get the finished products to market.) The entrepreneur enters the market and begins to buy up production goods—land, labor, capital—in order to manufacture the customers' goods. Or he may simply rent these factors of production. In any case, *he removes them from the marketplace for a specific period of time*. When he brings the final products to market as finished goods, he raises their price to the level determined by the competitive auction bids of customers. In short, he makes his profit by estimating in advance what future customers, in bidding against each other, will be willing to pay in a free market for the output of his production process.

2. Entrepreneur vs. Entrepreneur

The entrepreneur does not compete against customers, except in so far as there are zones of ignorance in the minds of both customers and other potential sellers, concerning the market price of the goods or services. In a highly competitive market, these zones of ignorance are drastically reduced. People know pretty well what items sell for in the marketplace. *The entrepreneur is always competing against other entrepreneurs*—the middlemen who act for the benefit of customers—who also produce in order to meet future customer demand. When the finished consumer goods or services are offered for sale, the "auctioneer"—the seller of goods—is guided by the bids of competing customers. He is unable to set any price he wants to set, though of course he prefers to receive a high price. He sets his price

in response to customers' bids, so as to "clear the market." He wants to sell every item scheduled for sale in the particular time period. He cannot squeeze any more money out of the customers than they are willing and able to pay. Other sellers can also enter the market and offer goods or services for a lower price, and he has to consider this possibility, too. In short, *sellers compete against sellers*, while *customers compete against customers*.

If the entrepreneur was correct in his original estimation of the extent of customer demand, and if no unforeseen contingencies have disrupted the expected cost of producing the final goods, and if no new sources of supply are brought to market that he had not been able to predict, then the entrepreneur gets his expected price per unit sold. He has "bought low" and has been able to "sell high." He sells to the highest bidders. He reaps his reward, entrepreneurial profit. It is the *residual* which remains *after* he has paid for all production inputs, including interest and his own management wage (the equivalent income that he had to forego because he could not sell his services to other entrepreneurs during the time he was working in his own company). If all has gone according to his original plan, then he has profited. But one fact must be understood: *he has not profited at the expense of customers*. Customers have not "lost" because of his presence in the market as a seller. He has profited at the expense of rival entrepreneurs who failed to see the opportunity for profit, and who failed to enter the resource markets for scarce factors of production. They stayed out, thereby allowing him to buy up those production factors less expensively. But the customers have unquestionably benefited. He has served the highest-bidding customers well. What if he had never bothered to buy up those producer goods, pay the interest, and bear the risks of production? What if he had never brought the goods or services to market? How would that have helped those customers who wanted the goods so much that they were willing to pay him top prices? He made more of these goods available to them than they would have otherwise been offered. He has been their benefactor—at a profit.

Professor Mises summarized the nature of profits in a straightforward manner:

> If all entrepreneurs were to anticipate correctly the future state of the market, there would be neither profits nor losses. The prices of all factors of production would already today be fully adjusted to tomorrow's prices of the products. In buying the factors of production the entrepreneur would have to expend (with due allowance for the difference between the prices

> of present goods and future goods) no less an amount than the buyers will pay him later for the product. An entrepreneur can make a profit only if he anticipates future conditions more correctly than other entrepreneurs.[6]

While there is always considerable intellectual risk in discussing what anything would be like if man were not man—specifically, what profits would be if men were omniscient—nevertheless, the reader should grasp what Mises is saying. Profits and losses *are* part of the human condition, precisely because man is not God. *The quest for a risk-free, uncertainty-free, profit-and-loss-free world is demonic. It is the demand that we remake man into God, that man become omniscient, that man transcend the limits of his creaturehood.*

B. The Middleman

Every so often, some local businessman buys advertising time on television, usually on a non-network station, and tries to unload his merchandise by using a variation of this time-tested sales pitch: "Friends, we can offer these incredibly low prices because we sell directly to you, the consumer. That's right, you buy directly from our factory warehouses at wholesale prices. You buy at factory prices because *we've eliminated the middleman.*" Isn't that terrific? No middleman. All these years, profit-seeking businessmen have been paying middlemen to stand around in the middle doing nothing. For centuries, it seems, profit-seeking businessmen have been willing to buy nothing—the non-services of useless middlemen—for something. But now some enterprising businessman has found a way to eliminate the middleman, and he is willing to pass the savings on to us. As the old saying goes, "What a deal!"

Think about the logic of the offer. Where are we told about this fabulous opportunity? On television. Who is buying the time slot? The businessman. Who is stocking all of the inventory? The businessman. Who is paying the interest rate, space rental, night watchman, and utilities expenses to warehouse the merchandise? The businessman. Who is bearing the uncertainty of getting stuck with a warehouse full of unsalable merchandise? The businessman. Who pays the fire and theft insurance premiums? The businessman. Who, then, is the middleman?

There will always be a middleman because there will always be uncertainty. *The middleman is the entrepreneur.* He exists because there

6. Mises, *Human Action*, p. 291.

is an entrepreneurial function. The producer may decide to become the middleman. The state, through some bureaucratic agency, may decide to become the middleman. Or an independent "jobber" may decide the payoff potential is worth the risk. But what is not conceivable in a world of uncertainty is a production system without a middleman, where buyers never have to pay for the services of economic forecasters. The producer may "sell direct to the consumer," but as long as the consumer has the right to say no and shop elsewhere, the producer is not really selling direct to the consumer. He is a buyer of goods or services who *hopes* to become a seller. The only consumer he can really sell direct to is himself in his capacity as entrepreneurial middleman.

It is imperative that we understand the difference between *profit seeking* and *gambling*, though both aim at predicting the future. Murray Rothbard's analysis is illuminating in this regard.

> It is not accurate to apply terms like "gambling" or "betting" to situations either of risk or of uncertainty. These terms have unfavorable emotional implications, and for this reason: they refer to situations where *new* risks or uncertainties are *created* for the enjoyment of the uncertainties themselves. Gambling on the throw of the dice and betting on horse races are examples of the deliberate creation by the bettor or gambler of new uncertainties which otherwise would not have existed. The entrepreneur, on the other hand, is not creating uncertainties for the fun of it. On the contrary, he tries to reduce them as much as possible. The uncertainties he confronts are already inherent in the market situation, indeed in the nature of human action; someone must deal with them, and he is the most skilled or willing candidate.[7]

Market speculation may be indulged in by the very same men who, in their off hours, enjoy betting on horses or dice, but the economic effects are vastly different. The market speculator tries to reduce uncertainty for the sake of future customers (which, of course, may well include himself), while the gambler is a present consumer of the joy or masochism of a game. Assume, for the sake of illustration, that the same individual is a part-time entrepreneur and a part-time gambler. He is a public benefactor if he guesses correctly in his capacity as a market forecaster. He is simply a winner at a game—matched by losers in the same game—when he forecasts correctly as a gambler. He has put his capital at risk to serve future customers as a market speculator. He has put his capital at risk to serve himself as a believer in a chance-dominated universe when he enters a game of chance.

7. Murray N. Rothbard, *Man, Economy and State*, p.. 555.

As a market forecaster, he acknowledges his limits as a creature, and deals with the world of the future in which men can see only darkly. He cannot escape living in such a world without actually dying. He serves others by entering into market-forecasting activities. But, as a gambler, a man risks losing his God-given capital assets in a game of chance, probably in a game in which the laws of probability for winning are against him (and if they are for him, they are against his opponents in the game). He affirms a universe of luck, of chance, of "fortunate" benefits for those who take needless risks with their capital. In short, the market speculator affirms the universe God has created, while the gambler affirms a very different world. The speculator tries to conserve capital for his own profit and for the benefit of future customers. The gambler wastes capital in terms of a philosophy of impersonal chance or personal luck, neither of which is a valid assumption concerning a created universe which is governed by an omniscient, omnipotent, sovereign, personal God.

It is no doubt true that it is impossible for anyone, including the entrepreneur, to sort out precisely what part of his income is a wage for management services, what part is an interest return for the money he puts into the business, and what part is pure profit. But what we must understand is that these are *theoretically* distinct aspects of the production process. If we try to pay an entrepreneur a fixed wage for managerial services, he will quit, or cease bearing the uncertainties of predicting the future, or cease making consistently accurate predictions. If we pay him a predictable interest return on his money, and no more, then we have made him an investor, not an entrepreneur. There is an entrepreneurial function which cannot be remunerated in advance, precisely because *entrepreneurial profit is a residual* which at best is estimated effectively only by future-predicting entrepreneurs.

C. Joseph, the Forecaster

It might be argued that Joseph's experience in Egypt serves as a biblical justification of central planning by the civil government. Such an argument, while no doubt tempting, overlooks the key fact in this incident: *Pharaoh had been given a direct revelation by God*, and Joseph came to him as God's prophet with the ability to interpret Pharaoh's dream perfectly. Only on this assumption, namely, that we can expect truly prophetic *omniscience* from salaried or elected officials of the central government, can a biblical case be made for universal central economic planning. If this assumption is rejected, then central eco-

nomic planning initially has no greater claim to biblical sanction than private economic forecasting does.

Is the assumption correct? Is there some feature about becoming a State official which in some way endows a person with a prophetic mantle? What biblical evidence do we have for such an assumption? Is any foreign prisoner who has served two years of an indeterminate jail sentence a predictably effective interpreter of visions given to national leaders? Would anyone wish to build a theory of political economy on such a premise? Could we create a governmental planning structure in terms of such an operating presupposition about the nature of civil government?

The consequence of Joseph's economic planning in Egypt must also be borne in mind. The entire nation, excluding only the priests, went into bondage to the Egyptian state (Gen. 47:13–22). All land, except that owned by the priests, became the possession of the Pharaoh. The people survived the famine, which they would not have been able to do had it not been for Joseph's entrepreneurship, but they and their heirs became servants of the Pharaoh and his heirs.

It was basic to the religions of antiquity that the state was in some fundamental way divine, or linked to the divine through the ruler. Egypt's theology was especially notable for its adherence to the theology of a divine ruler. The Pharaoh was supposedly the descendent of the sun god. Only the Hebrews, with their doctrine of the Creator-creature distinction, avoided the lure of a theology of immanent divinity. The outcome of such a theology, when coupled with a process of state economic planning, was enslavement. This was the curse of what Wittfogel called oriental despotism.[8]

The Hebrews, in stark contrast, were told to worship God, and only God, as divine. The state is clearly not divine, and any attempt to make it divine—the sole representative of God on earth—was understood to be demonic. Officials were constantly told to remain honest stewards of the great King. The office of prophet was decentralized, and prophets continually challenged kings, princes, priests, and average Hebrew citizens when they turned away from God and His law. God sent a shepherd like Amos to speak to the people; they were expected to heed this shepherd's word, not the king and his court priests. *The civil government is no more trustworthy than any other human institution.* All institutions are to be under the jurisdiction of God.

8. Karl A. Wittfogel, *Oriental Despotism: A Comparative Study of Total Power* (New Haven, Connecticut: Yale University Press, 1957).

There is no monopoly of sovereignty on earth, except God's written word, the Bible.

By decentralizing the office of prophet, God ensured that His people would not be compelled to listen exclusively to false prophets who would rather cater to the civil government than serve God. When the people were stiff-necked, refusing to heed His word, He punished them by allowing them to believe the false reports that were provided by the court's false prophets (Ezek. 14:1–5). The curse on their ethical rebellion was quite specific: the imposition of centralized decision-making by corrupt kings and their officially sanctioned prophets.

We never face a choice of "planning" vs. "no planning." The only question is: "Whose plan?" When economic planning is decentralized, and decisions are made by owners of private property, society is shielded from the risks of massive, centralized error. An erroneous decision made by a particular privately owned firm may cost its shareholders dearly, and customers who would have purchased the goods that would have been made, had the firm not embarked on its error-filled course, are no doubt harmed. There has been waste. Nevertheless, the majority of customers are protected because competing firms and suppliers can step in and satisfy customer demand. The rival suppliers help to smooth out the disruptions caused by either the unforeseen external circumstances or the operations of the misallocating firm.

When a monopolistic central planning agency makes an error in forecasting the economic future, large segments of the population suffer. There are few legal alternatives open to potential buyers. For a high price, black market operators may step in and smooth out the disruptions in supply, but buyers bear greater uncertainty in dealing with these suppliers, and they pay higher prices than would have been necessary if private firms had been allowed to compete with state planners. Bureaucrats, controlled as they are by tenure, trade union restrictions, or Civil Service regulations, do not have the same incentives as private entrepreneurs to bear uncertainty successfully. Bureaucrats are not directly rewarded with profits, nor are they immediately fired for losses. The carrot and the stick are only indirectly related to any given decision made by a central planning agency. Blame for error is easily transferred in anything as complex as a national economy. The customers cannot weed out the inefficient planners in a direct, forceful manner when planners are paid functionaries of the political state. By monopolizing the entrepreneurial function, the

state creates a planning structure that is far too rigid and far less sensitive to shifts in customer demand and resource supplies than the decentralized planning of profit-seeking entrepreneurs. This *inflexibility in the face of ceaseless change* drastically increases the risk of *devastating, centralized, universal failure*. And even when the state's bureaucrats turn out to be successful forecasters, as Joseph was in Egypt, the citizens who benefit from this accurate forecasting run the risk of becoming increasingly dependent on the state. As those in Egypt learned during the reign of the Pharaoh of Moses' day, successful state planning in one period in no way guarantees the continued success of central planners in subsequent periods. But successful state planning does increase the share of capital assets controlled by the state and its bureaucratic functionaries, thereby protecting their subsequent decisions from private competition in the total decision-making process. The Egyptians learned this lesson the hard way.

Conclusion

It must be recognized that Joseph was in Egypt. No system of centralized economic planning was created at Mt. Sinai. God did not tell His people to imitate the experience of Egypt. He told them to avoid all contact with the "leaven" of Egyptian culture. Joseph brought the theological slaves of Egypt under bondage to their false god, the Pharaoh. God does not want His people to turn to the legacy of Egypt's bureaucratic tyranny as a model for a godly social order.

This exegesis of Joseph in Egypt outrages the typical state-promoting evangelical, especially college professors. They have tied their classroom lecture notes to the state-worshipping worldview of the tax-supported, humanist-accredited universities that awarded them their Ph.D's. They are the Pharaoh-worshippers of this era. Had they been in Egypt in Moses' day, they would have been the Hebrew foremen working under the authority of Pharaoh's Egyptian taskmasters. They are the people who would have come to Moses and Aaron and told them to go away, because they were making Pharaoh angry (Ex. 5:20–21). Their high position in the slave system was dependent on the continuing bondage of their people. So it is with humanism's chaplains in the Christian college classroom and the pulpit today. Freedom would require them to revise their notes and begin promoting economic freedom in the name of Christ rather than bondage to the would-be savior state.

34

THE MISAPPLICATION OF INTRINSIC VALUE

And when money failed in the land of Egypt, and in the land of Canaan, all the Egyptians came unto Joseph, and said, Give us bread: for why should we die in thy presence? for the money faileth. And Joseph said, Give your cattle, if money fail.

GENESIS 47:15–16

As with all of God's relationships with men, famine can be simultaneously a curse and a blessing. The curse aspect is far easier to understand. The threefold curse promised by God to the Israelites involved the sword, pestilence, and famine (Deut. 28:21–22). The famine promised by Isaiah was a witness to the "fury of the LORD, the rebuke of thy God" (Isa. 51:20b). The people of Egypt were being placed under a long-term curse in the form of perpetual servitude to a bureaucratic state. The famine was the means of producing this servitude. Egyptians would henceforth live externally in terms of the religious faith which they held: the religion of a divine ruler.

The blessing accrued not to the Egyptians, but to the family of the house of Jacob. During his journey from Canaan, where he was still a stranger in the land (Gen. 36:7; 37:1), Israel (Jacob) was specifically told by God: "Fear not to go down into Egypt: for I will there make of thee a great nation" (36:3). In Egypt, they multiplied greatly (Ex. 1:7), even in the face of affliction (Ex. 1:12). A single family and its covenanted servants (Gen. 36:6–7) became a nation of 600,000 men, plus women and children (Ex. 12:37), in a little over two centuries if Courville's estimate is correct.[1]

1. Donovan A. Courville, *The Exodus Problem and Its Ramifications* (Loma Linda, California: Challenge Books, 1971), I, p. 151. Cf. North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Appendix A.

A. Famine and Money

Famine can also be a means of enforcing the cultural mandate. In forcing the Israelites down into Egypt, God was assuring the ultimate conquest of Canaan. In setting up Joseph as master of Egypt, God was enforcing the dominion covenant. Famines act in much the same way as the law of diminishing returns acts, only far more rapidly and discontinuously; the migration of populations results. Men are forced into new lands in search of agricultural productivity. They are forced to trade with those in other regions whose lands have not been hit by famine. Egypt had grain. This meant that the world would have to come to Egypt to trade on whatever terms the Egyptians thought were advantageous to them. Egypt could become a center of world trade, assuming the Egyptians thought it worth the risk of bargaining away food (41:57).

Famine is an incentive for rapid cultural change. The great European famines of 1315–17 disrupted late-medieval life, and the outbreak of bubonic plague in 1348–50, which reappeared intermittently for over three centuries, helped to destroy people's faith in medieval institutions. Religion, philosophy, labor practices, interest rates, and attitudes toward art all shifted radically in the fourteenth century.[2] The rise of the Lollard movement, the influence of Wycliffe, and the spread of proto-Protestant ideas were all part of the cultural turmoil of the late fourteenth century. The combination of plague, famine, and the printing press made the Reformation possible. The famines and plague had put whole populations on the move. One result was the imposition of wage controls and restraints on the movement of laborers, in country after country, in the middle of the fourteenth century. This was the first great European experiment with wage controls. Predictably, they intensified the labor shortage created by the loss of population from the plague.[3]

The Bible tells us that the money failed. What is money? It is *the most marketable commodity*. Usually, a commodity that can function as money must have five characteristics: durability, divisibility, transportability, recognizability, and scarcity. Gold and silver have been the traditional monetary metals of mankind, but salt, sugar, beads, shells,

2. Johan Huizinga, *The Waning of the Middle Ages* (Mineola, New York: Dover, [1924] 1999); Barbara Tuchman, *A Distant Mirror: The Calamitous 14th Century* (New York: Knopf, 1978).

3. Herbert Heaton, *Economic History of Europe* (New York: Harper & Bros., 1948), p. 208.

and numerous other scarce economic commodities have served men in exchange transactions. By the second year of the famine, neither gold nor silver functioned as a means of exchange any longer. "The money faileth," cried the hungry Egyptians, and so it had. The Pharaoh had in his possession both the metal and the grain by the second year of the famine. If anything functioned as money in Egypt, it was grain.

Gold and silver were no longer acceptable means of payment. The bulk of the population no longer had much desire to possess metals. This indicates a total breakdown of the economy. The reason why men accept gold and silver in voluntary exchange for other scarce resources is because they believe that other people will do the same later on. Because people expect others to give up scarce resources for the money metals sometime in the future, the metals have exchange value in the present. This is what is usually meant by the phrase "storehouse of value." Of course, value is not some physical aspect of the metal. Acting men impute value to the metals because of estimates they have made concerning the future willingness of men to continue imputing value to the metals. *Money metals, like all forms of money, are valued because of the future orientation of acting men.* They use money in exchange today because they expect to be in the market buying other goods and services with money tomorrow or next year. They expect the traditional estimations of others to prevail in the marketplace, and the familiar institutional arrangements to persist through time.

Yet we are told that the money failed. What also must have failed was men's commitment to long-term planning. They needed food. They could not expect to survive over the long run unless they had access to food in the present. The long run was discounted to practically zero. *The famine made Egyptians intensely present-oriented.* Thus, the value of traditional monetary units fell to zero—"failed." Men lost confidence in the marketplace to supply them with their needs. They looked to the state and its warehouses filled with grain for their salvation. This shift in faith, or rather in confidence, destroyed the monetary unit of account that had prevailed in the marketplace prior to the catastrophe. The state was able to collect the money metals until they no longer served as money (47:14–15).

What could then serve as a means of payment? Joseph set the terms of exchange because he controlled the one asset the whole world wanted (41:57). First he asked for their cattle, and they capitulated (47:16–17). At the end of the year, they were back empty-handed. All they had left were their bodies and their lands (47:18). *Land and labor*:

here are the two sources of production. (Capital is simply the combination of land and labor over time.) They believed that they faced death, so the discounted present market value of the expected future income from both their land and their labor—their freedom—had fallen to zero. Joseph bought their land in Pharaoh's name. He then removed all of them to the cities of Egypt, which he could do only because of the huge stores of food that the state had collected. He separated them from their ancestral lands, a graphic demonstration of the reality of the transaction he had just made with them. They were no longer independent peasants; they were now totally dependent urban dwellers who looked to the state for sustenance. Once Joseph had assembled the people in the cities, he gave them grain so that they could replant (47:23). He then announced the imposition of a permanent tax of 20% of their production. He exempted only the priests from this transaction (47:22). They alone maintained ownership of their lands. Pharaoh already assigned them a portion of what he collected in taxes, so they did not need to sell their lands to Pharaoh. They would remain close supporters of Pharaoh's kingdom, visibly exempt from the new political order in which the people of Egypt had become slaves to Pharaoh.

B. Change and Economic Value

The experience of the Egyptians should draw our attention to the reality of *change* in human affairs. The traditional monetary units failed. The confidence of the people in money and money's supporting institutions failed. What had been valuable before fell to zero value. *There is therefore no ultimate, infallible, all-purpose "store of value" in the economic affairs of men.* Money is simply a marketable good, and if faith in market institutions fails, and men give up hope in their earthly futures, then money is not immune to this transformation of men's outlook. Ours is a world of *uncertainty*. No single earthly commodity or institution can successfully deal with every conceivable possibility of the human condition. No commodity is equally useful or valuable in every possible human situation. This is what Christ pointed to when he cautioned men to lay up treasure in heaven, since there alone is a man's treasure safe from the flux of human events (Matt. 6:19–21).[4]

Money may function as a unit of account in exchanges, but it does not "measure" value, any more than the number of diamond carats in

4. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 14.

a girl's engagement ring's "measures" the love of her fiancé. Human value, like human love, is subjective. It is imputed by acting men to objects of their desire or revulsion. Men are told to impute value in terms of God's objective standards for men—to think God's thoughts after Him—even as God imputes value to His creation (Gen. 1:31).[5] In their activities as acting agents responsible before God for their thoughts and actions, men assign value to objects, including money. *Money does not measure value; on the contrary, acting men impute value to money.* As external conditions change, or men's evaluations of external conditions change, men may well shift their value preferences away from money to something else, or from one form of money to another. In Egypt, men learned that they could not eat gold. They could not induce other men to exchange food for gold. The fact that they could not eat gold does not, of course, mean that they could have eaten paper money, credit cards, or certified checks from prestigious banks.

What we must recognize is that *money does not have intrinsic value*. Only the word of God has intrinsic value—permanent, unchanging value imputed to those words by God Himself, who is the source of value. God is self-attesting, self-sustaining, and absolutely autonomous. No human device, including gold and silver, possesses intrinsic value. All human devices are transitory; all shall pass away except God's Word (Matt. 24:35). Gold and silver have demonstrated for millennia that men evaluate their value in relatively predictable, stable ways. This stability of purchasing power over time and geographical boundaries testifies to the historic value of these monetary metals, but historic value is not the same thing as the hypothetical intrinsic value ascribed to the metals. Some people may use the term "intrinsic" when they really have in mind only the concept of historic value, but other people are actually quite confused about the concept of intrinsic value. They assume, for example, that some sort of long-term relationship of "16 to one" exists between the exchange value of silver and gold; 16 units of silver being equal to one unit of gold. Except on a random basis, no such relationship exists in a free market. *No permanent exchange value can exist between two or more economic objects. Human action is subject to change, and exchange values are no exception to this law of human life.*

By "intrinsic value," we must limit our discussion to free market goods and services. We are speaking of market value. Of course, God

5. Chapter 5.

imputes intrinsic value to this or that aspect of the creation. He imputes intrinsic value to the souls of His people. He evaluates the intrinsic evil of His enemies. But when we come to *values imputed by acting men to market phenomena*, there is nothing that possesses intrinsic value—nothing, in short, which remains a *created constant* within the framework of historical change. We might argue that the value of the word of God is greater than the value of gold and silver, but this does not mean that the value of God's word is always precisely *this much* greater than gold and silver, since the value of gold and silver are not constants in time or eternity. The very existence of changing market exchange ratios (prices) between commodities testifies to the myth of intrinsic *market* value.

Conclusion

The value of money is determined by acting men in the marketplace. The value of God's word is determined by God. Any appeal to a hypothetical intrinsic value—some supposed fixed exchange relationship between market goods—is simply an attempt to deify some aspect of the creation, to find one of the attributes of God in the creation, namely His unchangeableness. It is God, and only God, who can say, "I am the LORD, I change not" (Mal. 3:6a). The Egyptians of Joseph's day learned this lesson when the money failed.

Well-meaning defenders of the traditional gold standard have confused the issue by proclaiming the *intrinsic* value of gold. They should instead proclaim the *historic* value of gold. Those who at least understand the basics of value theory can dismiss as naive all defenses of the gold standard that appeal to gold's intrinsic value, and then go on to proclaim a fiat money standard in defiance of the historic value of gold over long periods of time.

We should not become defenders of the traditional gold standard anyway. We should instead become defenders of freedom of entry, honest weights and measures, and no state-created money.[6] We should also not become defenders of "intrinsic value" theory. We should become consistent in our economic recommendations and theoretical defenses of biblical freedom.

6. Gary North, *Honest Money: The Biblical Blueprint for Money and Banking* (Ft. Worth, Texas: Dominion Press, 1986).

35

HIGH TAXES AS GOD'S WRATH

> *And Joseph made it a law over the land of Egypt unto this day, that Pharaoh should have the fifth part; except the land of the priests only, which became not Pharaoh's.*
>
> GENESIS 47:26

The theocentric issue here is sanctions: point four of the biblical covenant.[1] Taxation in this case was God's negative sanctions on the people of Egypt.

A. Egypt's Theology

The Egyptians worshipped multiple gods. They regarded the Pharaoh as a manifestation of divinity. He served as a representative figure between heaven and earth. He held power because he was the heaven-earth link. The Egyptians lacked a specific mythological account of the creation of man.[2] However, as Egyptologist John Wilson made clear, basic to Egyptian mythology was the concept of continuity. "To be sure," wrote Wilson, "a man seems to be one thing, and the sky or a tree seems to be another. But to the ancient Egyptian such concepts had a protean and complementary nature. The sky might be thought of as a material vault above earth, or as a cow, or as a female.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. John A. Wilson, "Egypt," in Henri Frankfort, *et al., The Intellectual Adventure of Ancient Man: An Essay on Speculative Thought in the Ancient Near East* (Chicago: University of Chicago Press, [1946] 1977), p. 53. Penguin Books published a version of this book called *Before Philosophy*.

A tree might be a tree or the female who was the tree-goddess. Truth might be treated as an abstract concept, or as a goddess, or as a divine hero who once lived on earth. A god might be depicted as a man, or as a falcon, or as a falconheaded man. . . . There was thus a continuing substance across the phenomena of the universe, whether organic, inorganic, or abstract."[3] There was no absolute distinction between creator and creature; instead, there was a continuity of being.

The doctrine of the continuity of being has a tendency to become the doctrine of the divinization of man. Furthermore, the divinization of man has an equally distinct tendency to become a docrine of the divine state, or the divine church, or the divine church-state. The state, as the most concentrated power in human affairs, becomes the mediating institution between the gods and evolving mankind. We can see this in the history of Egyptian kingship. Wilson's summary is to the point: "The king of Egypt was himself one of the gods and was the land's representative among the gods. Furthermore, he was the one official intermediary between the people and the gods, the one recognized priest of all the gods. Endowed with divinity, the pharaoh had the protean character of divinity; he could merge with his fellow-gods and could become anyone of them. In part this was symbolic, the acting of a part in religious drama or the simile of praise. But the Egyptian did not distinguish between symbolism and participation; if he said that the king was Horus, he did not mean that the king was playing the part of Horus, he meant that the king was Horus, that the god was effectively present in the king's body during the particular activity in question."[4] The Pharaoh deputized priests to perform religious duties, just as he deputized bureaucratic functionaries to perform administrative duties, but state theory maintained that these deputies acted for him as the supreme incarnation of the gods. Egyptian theology was polytheistic, but it was also *monophysite*: ". . . many men and many gods, but all ultimately of one nature."[5]

This theology divinized the Pharaoh. Wilson made this clear. "The gods had sent him forth to tend mankind, but he was not of mankind. This is perhaps the most fitting picture of the good Egyptian ruler, that he was the herdsman for his people. . . . The herdsman is primarily the pastor, the 'feeder,' and a first responsibility of the state was to see that the people were fed. Thus the king of Egypt was the god

3. *Ibid.*, p. 62.
4. *Ibid.*, pp. 64–65.
5. *Ibid.*, p. 66.

who brought fertility to Egypt, produced the life-giving waters, and presented the gods with the sheaf of grain which symbolized abundant food. Indeed, an essential function of his kingship was that of a medicine man, whose magic insured good crops. In one of the ceremonials of kingship, the pharaoh encircled a field four times as a rite of conferring fertility upon the land."[6]

This supposed god had placed himself under Joseph's authority. Joseph had offered wise counsel in the name of the God of the Bible. In this sense, the Pharaoh subordinated himself to God. He was blessed because of this. So were the Egyptians, who served this god. The God of the Bible enabled the imitation god of Egypt to prepare his people for the years of poor crops, when the god of Egypt would no longer deliver good harvests.

B. False God, True Tyranny

To save their lives, God had revealed to Joseph what was about to take place: seven years of plenty followed by seven years of famine. Joseph knew the future. He performed the entrepreneurial function. He saw the future and planned for it. He bought low and sold high.[7] He bought low in the name of Pharaoh in the years of plenty, when prices were low (Gen. 41:48–49). The text does not say that this was a tax. The fact that the tax came later indicates that this was a purchase. Then he sold high when the famine struck. He sold for money in the first year (Gen. 47:14). Then he bartered bread for livestock (Gen. 47:17). In the second year, he bought their land (Gen. 47:29). He did not buy the priests' land (Gen. 47:22). Then he provided seeds for them to plant (Gen. 41:23). He imposed a commission for the use of the Pharaoh's land and the Pharaoh's seed: 20% (Gen. 47:24). In other words, he turned them into *sharecroppers*. Only the priests were exempt (Gen. 47:26).

This arrangement was in effect an income tax. But this tax had been agreed to voluntarily by the people. Joseph had known what was going to come. Pharaoh listened to him. Pharaoh allowed Joseph to design the grain-collection program, the grain-storage program, and the grain-sale program. Like Potiphar and the jailer, he turned everything over to Joseph. As with his predecessors, he profited as a result. Joseph drove a hard bargain on behalf of the Pharaoh.

The people of Egypt did not starve. They were the recipients of

6. *Ibid.*, pp. 78, 79–80.
7. Chapter 33.

God's common grace.[8] They got far more than they deserved. They had obeyed God, but by means of representative agents: Joseph and Pharaoh. They owed their allegiance to Pharaoh. He was a false god. As a result, they were delivered into a system of permanent servitude.

It could have been worse. It is far worse today. Tax rates are far above 20% in most industrial nations. Modern man has worshipped the works of his own hand: the wisdom and might of man, either individual or collectivist. The result has been his submission to tax authorities who tax at twice or more the rate of Pharaoh after the famine.

C. The Tyranny of 10% Taxation

When the people of Israel demanded a king, the prophet Samuel was told by God to warn them of what the king would do to them.

> And he will take your fields, and your vineyards, and your oliveyards, even the best of them, and give them to his servants. And he will take the tenth of your seed, and of your vineyards, and give to his officers, and to his servants. And he will take your menservants, and your maidservants, and your goodliest young men, and your asses, and put them to his work. He will take the tenth of your sheep: and ye shall be his servants. And ye shall cry out in that day because of your king which ye shall have chosen you; and the LORD will not hear you in that day (I Sam. 8:14–18).

Samuel described what would have been perceived in that day as tyranny. An income tax equal to the tithe is tyranny. They refused to listen.[9]

Modern men do not listen. They live in tax jurisdictions that extract anywhere from three times to six times this burden. They call for even more taxation on the rich. They do not elect representatives who promise to roll back taxes. The voters prefer tyranny to liberty.

Joseph made sharecroppers of the Egyptians. The people of Israel made themselves tax slaves. Joseph provided life-giving train to sustain the Egyptians in a time of great need. The Israelites voluntarily surrendered authority to a newly sanctioned king—a man who the sanctioning agent had warned them about.

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8. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987).

9. Gary North, *Disobedience and Defeat: An Economic Commentary on the Historical Books* (Dallas, Georgia: Point Five Press, 2012), ch. 14.

Conclusion

Joseph did set an example to be followed by God's people. He gave his best advice to the ruler. He administered the program that he had recommended. He saved the nation of Egypt. But this came at a price: permanent subordination to a system of sharecropping, which did not differ from income taxation. This was a form of punishment. God placed them under negative sanctions because they worshipped a false god.

The case of Joseph in Egypt is not a legitimate model for taxation in the modern welfare state, except as a warning. Joseph placed covenant-breakers more firmly under a pagan king. Joseph taught them a lesson. "This is what it means to worship a false god. You will be brought under tyranny." The Egyptians did not accept the message. They consented to a later Pharaoh who made slaves of the Hebrews. They paid a heavy price at the exodus.

The sharecropping burden of the Egyptians was twice as great a burden as that which a future Israelite king would impose on God's people.

Modern civil governments would have to cut tax rates in half to get back to the tyranny of Egypt. Modern man does not recognize tyranny when he sees it. Neither do most Christians.

CONCLUSION
(2012)

The Book of Genesis is the first book of the Pentateuch. It is structured in terms of point one of the biblical covenant: the transcendence of God, yet also the presence of God.[1] It is the book of origins.

The Book of Genesis establishes the fundamental principle of economics: *original ownership*. God created the universe. He therefore owns it. He delegates subordinate, temporary ownership to individuals and institutions. This delegation began with Adam. *The concepts of original and delegated ownership must be the starting point of all valid economic reasoning—not the concept of scarcity.* Yet humanist economists ever since Adam Smith have sought another starting point: scarcity. They want to begin where there is universal agreement. "We all agree that there is scarcity. We all believe we would like more at zero price. So, let us begin with this." It is a false start. The war of economic ideas always gets back to ownership and its inescapably linked issues of legal sovereignty and moral legitimacy.

A. Fundamentals of Economics

The Book of Genesis provides the economist with the fundamentals of his academic discipline. Without the revelation of God to man concerning the origins of the world, man, and scarcity, there can be no systematic, accurate economic science. The fact that such a science exists, and that it has been developed predominately by men who reject the testimony of the Bible, testifies to the willingness of men to accept at least some of the Bible's truths, without actually accepting

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 1; Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 1.

the Bible itself. As I have argued in Chapter 5, Appendix B, and my essay on economics in *Foundations of Christian Scholarship* (1976), modern free market economists have used stolen intellectual capital in their attempt to build an autonomous science of economics. There is no science of economics that can logically stand the test of reason, except for Christian economics. The antinomies of value theory—objective vs. subjective—are obvious to the more inquisitive economists, but there is no way to reconcile these antinomies by means of autonomous human reason. The antinomies are therefore ignored or dismissed as irrelevant. The contradictions in both *a priori*, deductivist economics and *a posteriori*, inductivist economics—best represented by the epistemologies of Ludwig von Mises (an *a priorist*) and Milton Friedman (an *a posteriorist* or empiricist)—are also obvious. Both schools of thought wind up relying on *nonrational intuition* to explain the mind-matter relationship. A few economists, such as Frank H. Knight, who taught Friedman, openly admit that such contradictions exist, but most economists never even think about such matters.[2] In short, all humanistic economic systems rely on stolen goods, namely, God's revelation to man concerning Himself, man, and the world of scarcity.

Without an understanding of the economics of the Book of Genesis, it is not possible to understand economics. Secularists or other anti-God writers may think they understand economics. They may well discover truths about men's economic relationships, but they will misinterpret whatever correct information they discover if they use their anti-Genesis presuppositions to analyze their discoveries. Because God does not allow men to think completely consistently with their anti-God presuppositions, He restrains their errors. They make beneficial contributions to human thought and culture. The common grace of God, meaning His unmerited gifts to men in general, allows secular economists to make valid contributions. But it is the Christians who will be the ultimate beneficiaries of these contributions, for they alone have the key to understanding, namely, the Bible. The Christians will make the best use of the secularists' discoveries in all fields of thought. The Christians will steadily integrate the valid findings of secular science into a biblically sanctioned framework. This is why we need to take the Book of Genesis seriously as a source of information concerning the foundations of economic analysis.

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2. Gary North, "Economics: From Reason to Intuition," in North (ed.), *Foundations of Christian Scholarship: Essays in the Van Til Perspective* (Vallecito, Calif.: Ross House Books, 1976), ch. 5.

Admittedly, Christians have failed to understand the crucial position of Genesis as the foundation of economics, education, and social science in general. They have been paralyzed by the myth of neutrality, ever since the days of Justin Martyr (the second century, A.D.). They have tried to establish a common intellectual ground with Greeks of all nations. Greek philosophy and its spiritual legacies have misled Christians almost from the beginning. Only when Christians recognize Genesis for what it is—the foundation of all human thought—will they begin to make culture-reconstructing intellectual contributions. They must no longer be satisfied with the scraps of stolen wisdom that fall from the humanists' tables.

The irony is that, to the extent that humanistic economists have made any lasting, valid contributions, they have used biblical categories of thought. Most obviously, they have acknowledged the effects of scarcity. They have come to grips with the economic consequences of God's curse of the ground. To the extent that economists have departed from the reality of Genesis 3:17–19, as is the case with Marxism, socialism, and other forms of collectivism, they have become irrational. When they argue that institutional changes will produce a world of zero scarcity—a utopian world of universal abundance at zero price—they have adopted satanic principles of interpretation. They have ceased to be economists.

If you have struggled through hundreds of pages of exegesis and economic analysis in this book, you may be asking yourself:

> Why hasn't anyone ever tried this sort of a commentary in the past?
>
> Why haven't there been many such attempts, from the days of Constantine to the present?
>
> Why aren't there hundreds of commentaries available that deal not only with economics, but also with politics, education, family relationships, psychology, sociology, and anthropology?
>
> How can serious Christians take the position that there is no such thing as Christian economics? After all, if there is no such thing as Christian economics, then there is no such thing as economics, for to the extent that they are consistent with their own presuppositions, the secularists have to admit that their discipline faces unsolved and probably unsolvable intellectual contradictions.
>
> Why have Christians deliberately ignored the economics of Genesis for so long?[3]

3. This commentary has been in print since 1982. No humanistic economist has paid

These are all good questions. It would take a scholar far more familiar with the history of Christian thought than I am to answer these questions. I can only speculate concerning the answers. I know this much, however: the acceptance by Christian thinkers of *the myth of intellectual neutrality* lies at the heart of the problem. The acceptance of this myth over generations has kept Christian scholars from making the systematic, thoroughly biblical contributions to social science and social philosophy that have been needed for so long. They have assumed for too long that the anti-God philosophers and social commentators have done the Christians' work for them.

B. The Christian College Curriculum

I remember an incident back in 1973. I went into the office of the president of tiny Northwest Christian College in Eugene, Oregon, to discuss the possibility of getting a job teaching economics. I had not made a formal appointment, so I was happy to have gained the opportunity to speak with him.

He said that the college did not need any economics courses, because the campus was next door to the University of Oregon. "If a student thinks he needs a course in economics, we just send him over to the University to take it." He told me that this was the college's policy in most of the social sciences, except for anthropology. He confirmed Rushdoony's observation: the closer we get to the doctrine of God, the clearer becomes the visible difference between Christianity and anti-Christianity. He and his faculty could not perceive this difference until they got to man and his cultures. There, they drew a line in the methodological sand. The humanists' attempt to equate primitive religions and Christianity was just too much to swallow.

Given his acceptance of the myth of neutrality, that college president was a fiscally prudent man. Today, most of his empire-building peers who raise funds for their struggling little Christian colleges are almost bankrupting their schools—to hire Ph.D.-holding intellectual humanists (who attend church)—to teach the very same courses that the University of Oregon offered. Unlike them, this president drew the obvious conclusion:

> No need to spend money on warmed-over, baptized humanism: go straight to the source. Go next door and take your economics courses from the Keynesians at the state university. Let the university hire the faculty, buy

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any attention to it. No Christian economist has, either.

> the library books, and worry about budget deficits. Let the college concentrate on the courses that are exclusively Christian, such as missions, evangelism, and how to run a church. If our students think they need "secular" courses, let them get their secularism from the certified humanists at tax-subsidized tuition levels. Why drain the funds of God's kingdom—the "Christian courses"—by importing third-rate humanists to teach our students?

He never said any of this, of course, but there is no doubt in my mind that he was operating in terms of a worldview similar to what I have described. So do Christian college presidents everywhere. The difference is only that he was geographically close enough to a state university, and smart enough financially, to make use of its humanistic opportunities.

The students who took the college's advice and enrolled part-time at the University of Oregon probably did not corrupt themselves intellectually any more than the thousands of students in Christian colleges do five days a week when they take classes in baptized humanism. If anything, the Christian student at a state university may be more alert to humanist propaganda than the student in a "Christian's" classroom. He knows he is getting his humanism straight. The student at the Christian college doesn't.

Conclusion

Genesis gives us the foundations of Christian thought. It tells us of the Creator-creature distinction. It tells us of the dominion covenant. It tells us of the Fall of man and the curse of the ground. We learn that we are stewards of God's property, fully responsible to Him for the proper administration of His goods. At the same time, we learn that we are also legitimate owners during the period of our stewardship. God entrusts His property to individuals and organizations, and they are called to increase the value of this property. Wealth is therefore not an innate evil, but a means of opportunity for godly service, as we learn in the case of Abraham. Wealth is preserved and expanded by means of character and lawful stewardship (Abraham, Jacob, Joseph), and it is lost by those with poor character and no respect for God's law (Lot, Laban, Esau).

Genesis teaches us that there is a curse on the ground. This means that we must cooperate with other men to increase our per capita wealth. There is a division of labor principle, as well as the law of diminishing returns. The latter law pressures men to expand their

area of responsibility, find new means of increasing production, and subdue new lands to the glory of God (or at least to the benefit of their own pocketbooks).

Perhaps more important than anything else for a proper understanding of science, *Genesis teaches us the concept of cosmic personalism*. There is purpose in the creation: God's purpose foundationally, but also men's purposes derivatively. Life has meaning in terms of God's plan for the ages. This means that our labor has meaning in time and on earth, and also in the post-judgment world to come (I Cor. 3). While some aspects of these truths are taught later in the Bible, Genesis provides us with the basics. *The theocentric nature of all existence is the message of Genesis*. This is assuredly not the operating presupposition of humanistic science, including economics.

The Bible lays the legal and social foundations for a society that extends human freedom. This legal and social order, when respected by the rulers and the subjects of a nation, produces the economic framework which is known today as the free enterprise system. *Biblical economics is free enterprise economics.* It is not anarchistic economics, but it is certainly not Keynesian economics or Marxist economics. When birthrights can be validly exchanged for a pot of stew, and God honors such an exchange, we are talking about free enterprise. When legal authorities try to intervene to reverse the consequences of such a voluntary exchange, as Isaac did, those about to lose what their exchange entitled them to can legitimately take steps, including the use of deception, to defend their lives, their property, and their sacred honor.

The example of Joseph in Egypt is just that: Joseph *in Egypt*. He brought all of Egypt into bondage to the state. This is not an example to be followed by Christian societies.